

PTL ENTERPRISES LIMITED

***49th Annual Report
2009-2010***

PTL ENTERPRISES LIMITED

49TH ANNUAL REPORT

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PTL ENTERPRISES LIMITED

BOARD OF DIRECTORS

| | | |
|-----------------|---|---------------------------|
| ONKAR S. KANWAR | : | CHAIRMAN |
| NEERAJ KANWAR | | |
| HARISH BAHADUR | | |
| K.JACOB THOMAS | | |
| P. PRABAKARAN | : | KERALA GOVERNMENT NOMINEE |
| PALLAVI SHROFF | | |
| T. BALAKRISHNAN | : | KERALA GOVERNMENT NOMINEE |
| U.S.OBEROI | | |
| U.S. ANAND | | |

COMPANY SECRETARY

PRADEEP KUMAR

AUDITORS

H. N. MEHTA ASSOCIATES

REGISTERED OFFICE

6TH FLOOR, CHERUPUSHPAM BLDG.
SHANMUGHAM ROAD,
KOCHI – 682 031 (KERALA).
TEL. NOS. (0484) 2381902 - 3
FAX NO.: (0484) 2370351

BANKERS

STATE BANK OF INDIA
YES BANK
BANK OF INDIA
ICICI BANK LTD.

WORKS

KALAMASSERY
ALWAYE,
KERALA – 683 104.

PTL ENTERPRISES LIMITED

Regd.Office: 6th Floor, Cherupushpam Building, Shanmugham Road, Kochi-682 031 (Kerala)

NOTICE

NOTICE is hereby given that the Forty Ninth Annual General Meeting of the Members of **PTL ENTERPRISES LTD.** will be held as under:-

| | | |
|-------|---|---|
| DAY | : | Wednesday |
| DATE | : | 28 th July, 2010 |
| TIME | : | 2:30 P.M. |
| PLACE | : | Willingdon Hall Taj Malabar, Willingdon Island Kochi – 682 003 |

to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Accounts of the Company for the year ended 31st March, 2010 and the Report of the Directors and of the Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr.Neeraj Kanwar, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr.K.Jacob Thomas who retires by rotation, and being eligible, offers himself for re-appointment.
5. To consider and if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution:-

“RESOLVED THAT M/s.H.N.Mehta Associates, Chartered Accountants, the retiring auditors, be and are hereby re-appointed as auditors of the Company to hold office until the conclusion of the next Annual General Meeting of the Company for auditing the Accounts for the financial year 2010-2011 and the Board of Directors be and are hereby authorised to fix their remuneration plus travelling and out of pocket expenses for audit.”

SPECIAL BUSINESS

6. To consider and if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution:-

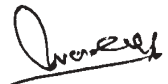
“RESOLVED that Mr.U.S.Anand, who was appointed by the Board of Directors of the Company as an additional Director w.e.f. 20th October, 2009 and who holds office as such upto the date of the Annual General Meeting and in respect of whom the Company has, as required by Section 257 of the Companies Act, 1956, received a notice in writing from a member signifying his intention to propose his candidature for the office of the Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

7. To consider and if thought fit to pass with or without modification(s), the following resolution as a Special Resolution:-

“RESOLVED THAT pursuant to the provisions of Section 372A and other applicable provisions of the Companies Act, 1956, (including any statutory modification or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions of appropriate authorities, departments, bodies, financial institutions or other lenders, who have granted term loans to the Company, as may be required, consent of the Company be and is hereby accorded to incorporate a wholly-owned subsidiary company with the name “PTL Energy Pvt. Ltd.” or any other name as may be allowed by the Registrar of Companies or concerned authorities for the purpose of entering into generation, distribution and trading of power and other related activities and a sum not exceeding Rs.25 lacs be invested in the said company by way of subscription of equity shares notwithstanding that the aggregate of all the loans, guarantees or securities so far given or to be given to and/or securities so far acquired or to be acquired in all bodies corporate may exceed the limits prescribed under the said section.

RESOLVED FURTHER THAT the Board of Directors/Committee of Directors of the Company be and are hereby severally authorized to take necessary steps for incorporation of a subsidiary company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution.”

By order of the Board
For **PTL Enterprises Ltd.**



(PRADEEP KUMAR)
COMPANY SECRETARY

Place : Gurgaon
Dated : 28th May, 2010

NOTES

1. **A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on poll instead of himself and the proxy need not be a member of the Company. The enclosed proxy form, if intended to be used, should reach the Registered Office of the Company duly completed not less than forty eight hours before the scheduled time of the Meeting.**
2. The relative Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956, in respect of the Special Business set out above is annexed hereto.
3. The Register of Members and Share Transfer Books shall remain closed from 16th July, 2010 to 28th July, 2010 (both days inclusive) for payment of dividend on equity shares. In respect of shares held in dematerialized form, the dividend will be paid on the basis of beneficial ownership as per details furnished by the respective depositories for this purpose.
4. The members holding shares in the dematerialised mode are requested to intimate all changes with respect to their bank details, mandate, nomination, power of attorney, change of address, change in name etc. to their Depository Participant (DP). These changes will be automatically reflected in Company's records which will help the Company to provide efficient and better services to the members.
5. Please bring your copy of the Annual Report to the Meeting.
6. All documents referred to in the Notice are open for inspection at the Registered Office of the Company between 11.00 a.m. to 5.00 p.m. on any working day prior to the date of the Meeting and also at the Meeting.
7. Members intending to require information about Accounts to be explained at the meeting are requested to write to the Company at least ten days in advance of the Annual General Meeting.
8. Members holding shares in the same name(s) under different folios are requested to apply for consolidation of such folios by sending relevant share certificates.
9. The shares of the Company are under compulsory Demat list of SEBI w.e.f. 2nd January, 2002. The trading in equity shares can now be only in Demat Form. In case you have not demated your shares, you may do so by opening an account with a Depository Participant and complete dematerialization formalities.
10. Information under Clause 49 of the Listing Agreement with the Stock Exchanges in respect of Directors seeking appointment/reappointment at the Annual General Meeting (Item No.3, 4 and 6) is given after the explanatory statement.
11. Those members who have so far not encashed their dividend warrants for the below mentioned financial years, may claim or approach the company for the payment thereof as the same will be transferred to the 'Investor Education and Protection Fund' of the Central Government pursuant to Section 205C of the Companies Act, 1956 on the dates mentioned below. Kindly, note that after such transfer, the members will not be entitled to claim such dividend :-

| Financial Year Ended | Due Date of Transfer |
|----------------------|----------------------|
| 31.03.2008 | 17.08.2015 |
| 31.03.2009 | 22.08.2016 |

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**Item No. 6**

Mr.U.S.Anand was appointed by the Board of Directors as an Additional Director on the Board of your Company with effect from 20th October, 2009. Pursuant to section 260 of the Companies Act,1956, Mr.U.S.Anand, holds office upto the date of forthcoming Annual General Meeting. A notice under section 257 of the Companies Act, 1956 has been received from a member along with a deposit of Rs.500/- proposing the candidature of Mr.Anand as a Director of the Company.

The Board of Directors recommend resolution set out at item no. 6 for your consideration and approval.

None of the Directors of the Company except Mr.U.S.Anand, himself is concerned or interested in the resolution.

Item No. 7

As part of its expansion and diversification plans, your Company is considering various alternatives involving trading and/or generation of power. The above business is already covered under the Memorandum and Articles of Association of the Company. It is now proposed to form a wholly-owned subsidiary for the purpose of implementation of power project by way of a separate subsidiary Company and a sum not exceeding Rs.25 lacs would be required to be initially invested by way of subscription of shares in such company.

The proposal to subscribe shares in a subsidiary company would attract provisions of Section 372A of the Companies Act, 1956, inter-alia requiring approval of the shareholders by way of Special Resolution.

The Board of Directors recommend the resolution for approval of members.

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES**Item No. 3**

Mr. Neeraj Kanwar, aged about 39 years, graduated from Lehigh University, USA, with a focus on Industrial Engineering and Management Systems. He joined the Board of Directors of the Company in the year 1997.

Mr. Neeraj Kanwar began his career with Apollo Tyres in 1995 as Manager, Product & Strategic Planning, and steadily rose up the ranks to become the Chief of Manufacturing in 1998, the COO in 2002 and eventually Vice Chairman and Managing Director in 2009.

Recently, Mr. Neeraj Kanwar had the unique distinction of being elected as the youngest Chairman of Automotive Tyres Manufacturers' Association (ATMA), the apex body of the Indian tyre industry.

Mr. Neeraj Kanwar is holding directorship of the following companies:-

| | |
|--|-----------------------------------|
| Apollo Tyres Ltd. | Vice Chairman & Managing Director |
| Apollo Automotive Tyres Ltd. | Director |
| Apollo Radial Tyres Ltd. | Director |
| Sunlife Trade Links Pvt. Ltd. | Director |
| Apollo (South Africa) Holdings (Pty.) Ltd. | Director |
| Apollo Tyres Zrt. | Director |

| | |
|--|----------|
| Artemis Medicare Services Ltd. | Director |
| Apollo Tyres Pte. Ltd. | Director |
| Apollo Tyres AG | Director |
| Apollo (Mauritius) Holdings Pvt. Ltd. | Director |
| Apollo Tyres Cooperatief U.A. | Director |
| Apollo Vredestein B.V. (Supervisory Board) | Director |

He is also a member of Shareholders'/Investor's Transfer/Grievance Committee of Apollo Tyres Ltd and member of Audit Committee of Artemis Medicare Services Ltd.

He is not holding any shares in the Company.

Item No. 4

Mr.K.Jacob Thomas, aged about 74 years, is a graduate in Science and is an industrialist. He joined the Board of Directors of the Company in the year 1995. His experience is focused in the areas of Plantation Management.

Mr.K.Jacob Thomas is holding directorship of the following companies:-

| | | |
|----------------------------|---|-------------------|
| Vaniampara Rubber Co. Ltd. | - | Managing Director |
| Comfoams Ltd. | - | Managing Director |
| Apollo Tyres Ltd. | - | Director |
| Vanrub Pvt. Ltd. | - | Director |

Mr.Thomas is also a Chairman of Shareholders'/Investors' Transfer/Grievance Committee and Member of Audit Committee of Apollo Tyres Ltd.

He is holding 7500 shares of the Company.

Item No. 6

Mr.U.S.Anand, aged about 67 years, is a Chartered Accountant, with over 35 years of experience. He joined the Board of Directors of the Company in the year 2009 His experience is focused in the areas of Accounts , Finance, Taxation and Business development.

He is not holding any shares of the Company.

By order of the Board
For PTL Enterprises Ltd.



(PRADEEP KUMAR)
COMPANY SECRETARY

Place : Gurgaon
Dated : 28th May, 2010

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Annual Report and Audited Accounts of your Company for the financial year ended March 31, 2010.

FINANCIAL RESULTS

| | Year Ended (Rs./lacs) | |
|--|-----------------------|------------|
| | 31.03.2010 | 31.03.2009 |
| Other income | 2727.68 | 2676.07 |
| Profit before depreciation | 1915.40 | 1709.66 |
| - Depreciation | 14.64 | 15.98 |
| Profit before tax | 1900.76 | 1693.68 |
| - Provision for Tax – Current | 668.90 | 592.43 |
| - Provision for Tax – Deferred | (10.49) | (14.49) |
| - Provision for Fringe Benefit Tax | - | 1.10 |
| Net Profit after Tax | 1242.35 | 1114.64 |
| - Extra Ordinary Items | (945.69) | - |
| Net Profit after Extra Ordinary Items | 296.66 | 1114.64 |
| Balance brought forward from Previous Year | 2242.74 | 1637.84 |
| Profit available for appropriations | 2539.40 | 2752.48 |
| Appropriations :- | | |
| - Dividend to Equity shareholders | 330.94 | 264.75 |
| - Dividend tax | 54.96 | 44.99 |
| - Transfer to General Reserve | 200.00 | 200.00 |
| Balance carried forward | 1953.50 | 2242.74 |

OPERATIONS

Your Directors are pleased to report that gross income for the year ended 31st March, 2010 amounted to Rs.2727.68 lacs as against Rs.2676.07 lacs during the previous year, registering an increase of 1.93%. It includes lease rental of Rs.2500 lacs received from Apollo Tyres Ltd. (ATL), in accordance with the terms of the Lease Agreement executed with ATL. After providing for depreciation and tax, net profit amounted to Rs.1242.35 lacs as against Rs.1114.64 lacs in the previous year, recording an increase of Rs.11.46%. The extra ordinary item represents, transfer, by way of gift, of 15,75,000 shares held by the Company in its subsidiary "Artemis Health Sciences Ltd." to CEO of its healthcare business towards his contribution in developing healthcare business as part of growth and diversification plans of the Company. The net profit, after providing for extra ordinary items, amounted to Rs.296.66 lacs, as against Rs.1114.64 lacs in the previous year.

DIVIDEND

Your directors recommend dividend of Re.0.50 per equity share for the financial year 2009-10, for your approval. There will be no tax deduction at source on dividend payments, but your company will have to pay dividend distribution tax amounting to Rs.54.96 lacs inclusive of surcharge.

The dividend, if approved, shall be payable to the shareholders registered in the books of the company and the beneficial owners as per details furnished by the depositories, determined with reference to the book closure from 16th July, 2010 to 28th July, 2010 (both days inclusive).

SUBSIDIARY COMPANIES

Your Directors decided to seek exemption under Section 212 of the Companies Act, 1956, from annexing Annual Reports of the subsidiary companies viz. Artemis Health Sciences Ltd., Artemis Medicare Services Ltd., Artemis Life Sciences Pvt. Ltd., Artemis Mediequipments Pvt. Ltd. and Artemis Medical Institute & Hospitals Pvt. Ltd. for the financial year ended 31st March, 2010.

The Central Government vide its letter No.47/294/2010-CL-III dated 9th April, 2010, has accorded its approval under Section 212 (8) of the Companies Act, 1956, from annexing the accounts of the above subsidiary companies. The information of the subsidiary companies is annexed with the consolidated accounts attached herewith.

The copy of the Annual Report of the subsidiary companies will be made available to the shareholders on request and will also be kept for inspection by any shareholder at the Registered Office of the Company.

EXPANSION/DIVERSIFICATION/FUTURE OUTLOOK

During the year under review, your super-specialty hospital in Gurgaon by the name of "Artemis Health Institute" owned by subsidiary company "Artemis Medicare Services Ltd." has been successfully accredited by NABH (National Accreditation Board for Hospitals & Healthcare). Prestigious NABH accreditation symbolizes for high quality care for patients & safety by credential medical staff. Your hospital operations remained smooth during the year under review. All efforts were made by the hospital to provide super-specialty services of International standards primarily related to cancer, cardiology, orthopedics, renal transplant, endoscopy and In-vitro Fertilization. It continues to serve several national and international patients in varied segments.

Your hospital has hosted First Joint International Conference on Head, Neck & Thoracic Oncology organized jointly by Artemis Health Institute, Gurgaon & Memorial Sloan Kettering Cancer Centre (MSKCC), New York called ASK'10 (Artemis Sloan Kettering, 2010), marking the beginning of the tie up between Artemis & MSKCC. Conference was attended by senior doctors across the globe, primarily from United States, England, Middle East and African countries.

Your directors are optimistic of favourable growth in the coming year for this foray at all levels. As part of its expansion and diversification plans, the company is considering various proposals involving trading and/or generation of power. However, these are at preliminary stage and the members shall be kept informed on the progress on the subject from time to time.

COST AUDIT

Your Company is in the process of filing an application with the Central Government for availing exemption from the requirements of Cost Audit as your Company does not have its own production and the Plant has been leased out to Apollo Tyres Ltd.

AUDITORS' REPORT

The comments on the statement of accounts referred to in the Report of the Auditors are self explanatory.

BOARD OF DIRECTORS

During the year under review, Mr.P.Prabakaran was appointed as Nominee Director of Govt. of Kerala in place of Mr.L.C.Goyal w.e.f 29th January, 2010. The Board places on record its appreciation for the contribution made by Mr.L.C.Goyal during his tenure of directorship.

Mr.U.S.Anand was appointed as an additional director of the company w.e.f. 20th October, 2009. He holds office till the date of the ensuing Annual General Meeting. The company has received requisite notice together with deposit, as provided under Section 257 of the Companies Act, 1956, from a shareholder proposing the appointment of Mr.U.S.Anand as a director liable to retire by rotation.

Mr.Neeraj Kanwar and Mr.K.Jacob Thomas, Directors will retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

None of the Directors are disqualified under Section 274 (1) (g) of the Companies Act, 1956.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As the plant was leased out to Apollo Tyres Ltd. and the Company is not carrying out any manufacturing activity of its own, no information is required to be furnished under Section 217 (1) (e) of the Companies Act, 1956.

REPORT ON CORPORATE GOVERNANCE

Pursuant to clause 49 of the Listing Agreement, a report on corporate governance is given in Annexure 'A' of this report.

Ministry of Corporate Affairs have proposed "Corporate Governance - Voluntary Guidelines 2009" and "Corporate Social Responsibility Voluntary Guidelines 2009" during December, 2009 for voluntary adoption by all listed companies. Your Company is committed to the highest standards of compliance and in all feasible cases action is being instituted to ensure we remain benchmark in these areas.

HUMAN RESOURCES

During the year, the focus had been on managing the growth of the organisation. The contribution of people across the organisation was outstanding with cordial and harmonious industrial relations.

There are no employees during the year drawing remuneration specified under Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975. As such, no particulars are required to be furnished.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 217 (2AA) of the Companies Act, 1956, the Board of Directors of the Company confirm that:

- i) in preparation of the Annual Accounts for the year ended March 31, 2010, the applicable accounting standards have been followed and there has been no material departure;
- ii) the selected accounting policies were applied consistently and the Directors made judgements 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 March 31, 2010 and of the profit of the Company for the year ended as on date;

- iii) 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; and
- iv) the Annual Accounts have been prepared on a 'going concern' basis.

ACKNOWLEDGEMENT

Your Directors place on record its appreciation for assistance received from Central Government, State Governments of Kerala and Haryana, bankers, consumers, vendors and stakeholder for their valuable support and patronage during the year under review. The Board further wishes to extend its appreciation of the contributions made by employees towards growth of the business.

For and on behalf of the Board of Directors



(ONKAR S. KANWAR)
CHAIRMAN

Place : Gurgaon
Dated : 28th May, 2010

REPORT ON CORPORATE GOVERNANCE

1. Company's philosophy on Code of Governance

In compliance with Clause 49 of the Listing Agreement, your Company has implemented good Corporate Governance practices in true spirit.

Corporate Governance is a combination of voluntary practices and compliance with laws and regulations, leading to effective management of the organization. Your Company seeks to execute the best practices of Corporate Governance through relentless focus on transparency, accountability, trusteeship and professionalism.

Your Company shares a long term perspective and firmly believes that good Corporate Governance practices underscore its drive towards competitive strength and sustained performance. A report on the implementation of the Corporate Governance in accordance with Listing Agreement is furnished below:-

2. Board of Directors

a) Composition of Board:

The Board of the Company comprises of nine Non-executive Directors to give a new direction to the Company. Out of the nine Directors, five Directors are Independent Directors, which include two nominees of Government of Kerala. All Directors have varied experience in the areas of finance, law, business and industry etc.

| Name/Designation of Director | Category | No. of positions held in other companies | | No. of Board Meetings attended | Attendance at last AGM |
|---|---------------------------|--|--------------|--------------------------------|------------------------|
| | | Board # | Committee ## | | |
| Mr. Onkar S. Kanwar Chairman | Non-Executive | 5 | 1 | 4 | Yes |
| Mr. Neeraj Kanwar | Non-Executive | 4 | 2 | 4 | Yes |
| Mr. Harish Bahadur | Non-Executive | 4 | - | 4 | Yes |
| Mr. K. Jacob Thomas | Non-Executive Independent | 3 | 2 | 3 | No |
| Mr. P. Prabakaran @ Nominee Director – Govt of Kerala (Equity Investor) | Non-Executive Independent | 7 | - | Nil | N.A. |
| Mrs. Pallavi Shroff | Non-Executive Independent | 8 | 2 | Nil | No |
| Mr. T. Balakrishnan Nominee Director – Govt. of Kerala (Equity Investor) | Non-Executive Independent | 14 | - | 2 | No |
| Mr. U.S. Oberoi | Non-Executive | 1 | 2 | 4 | Yes |
| Mr. U.S. Anand (appointed as an additional director on 20th October, 2009) | Non-Executive Independent | - | - | 2 | N.A. |

ceased to be Director

| | | | | | |
|--|---------------------------|---|---|-----|----|
| Mr. L. C. Goyal @ Nominee Director – Govt of Kerala (Equity Investor) | Non-Executive Independent | 2 | - | Nil | No |
| Mr. P.A.S. Rao (resigned from the directorship w.e.f 9th October, 2009) | Non-Executive Independent | 2 | 1 | 1 | No |

@ Mr.P.Prabakaran , Nominee Director of Govt. of Kerala was appointed w.e.f. 29th January, 2010 in place of Mr.L.C.Goyal.

#This includes Directorships held in Public Limited Companies and subsidiaries of Public Limited Companies and excludes Directorships held in Private Limited Companies and overseas Companies.

##For the purpose of Committees of Board of Directors, only Audit and Shareholders' Grievance Committee in other Public Ltd. Companies and subsidiaries of Public Ltd. Companies are considered.

b) Relationship amongst Directors

Mr. Neeraj Kanwar, Director is the son of Mr.Onkar S.Kanwar, Chairman.

(c) Profile of the Chairman

Mr.Onkar S.Kanwar, Chairman of the company is the visionary and responsible for growth and diversification of the Company. As part of its growth plan, the company has ventured into new areas of Healthcare and power etc.

Mr. Onkar S.Kanwar is a member on various Government of India Advisory Committees, on the Board of leading educational institutes and the Past President of the Federation of Indian Chambers of Commerce & Industry (FICCI). A science and administration graduate from the University of California, Mr.Onkar S.Kanwar is a widely travelled industrialist and a keen student of modern management practices and their successful application in business.

Mr.Kanwar has also held the office of Chairman of Automotive Tyres Manufacturing Association (ATMA), the apex body of the Indian tyre industry and is a past President of the Indian arm of the International Chamber of Commerce.

d) Number and dates on which the meetings of Board of Directors were held

During the year, four Board Meetings were held on the following dates:-

29th April, 2009

22nd July, 2009

20th October, 2009

29th January, 2010

The gap between any two meetings never exceeded four months as per the requirements of clause 49 of the listing agreement. The required information was suitably placed before the Board to the extent possible at the Board Meetings.

3. Audit Committee

a) Constitution of Committee

In accordance with Clause 49 of the Listing Agreement and as a matter of good Corporate Governance, the Company has an Audit Committee to provide assistance to the Board of Directors to look into the matters relating to internal controls and audit procedures being followed by the Company. The Committee comprises of the following three Non-Executive Directors:

| Name of Director | Designation | Category of Directors | No. of meetings attended |
|---|-------------|---------------------------|--------------------------|
| Mr.K. Jacob Thomas | Chairman | Non-executive Independent | 3 |
| Mr. Neeraj Kanwar | Member | Non-executive | 4 |
| Mr. P.A.S. Rao (ceased w.e.f. 9th October, 2009) | Member | Non-executive Independent | 2 |
| Mr.U.S. Anand (appointed w.e.f.20th October, 2009) | Member | Non-executive Independent | 1 |

b) Meetings

During the year, Audit Committee met four times on the following dates :-

29th April, 2009

17th July, 2009

20th October, 2009

29th January, 2010

c) Name of the Secretary

Mr. Pradeep Kumar, Company Secretary, acts as Secretary of the Committee.

d) Terms of Reference

The terms of reference of the Audit Committee include the following:-

- (i) Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- (ii) To hold periodic discussions with the Statutory Auditors and Internal Auditors of the Company concerning the accounts of the Company, internal control system, scope of audit and observations of the Auditors/Internal Auditors;
- (iii) Recommend the appointment/removal of external auditors, nature and scope of audit, fixation of audit fee and payment for any other services to external auditors;
- (iv) To review compliance with internal control systems;
- (v) To review the quarterly, half yearly and annual financial results of the Company before submission to the Board;
- (vi) Any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large;
- (vii) To make recommendations to the Board on any matter relating to the financial management of the Company, including the Audit Report;
- (viii) The Audit Committee may also review such matters as are considered appropriate by it or referred to it by the Board.

4. Payment of remuneration/sitting fee to Directors

Remuneration/sitting fee paid to Directors during the financial year 2009-10, is given below:

| Name of Director | Sitting Fee (Rs./Lacs) | No. of Shares held as on 31.03.10 | Stock Option, if any |
|---|------------------------|-----------------------------------|----------------------|
| Mr.Onkar S.Kanwar | 0.40 | 2500 | N.A. |
| Mr.Neeraj Kanwar | 0.90 | - | N.A. |
| Mr.Harish Bahadur | 0.50 | - | N.A. |
| Mr.K.Jacob Thomas | 0.60 | 7500 | N.A. |
| @ Mr.P Prabakaran * @ Mr.L.C.Goyal* Mr.T.Balakrishnan* | 0.20 | - | N.A. |
| Mrs.Pallavi Shroff | - | - | N.A. |
| Mr.P.A.S.Rao | 0.30 | - | N.A. |
| Mr.U.S.Oberoi | 0.50 | - | N.A. |
| Mr.U.S.Anand (Appointed as an Additional Director on 20th October, 2009) | 0.30 | - | N.A. |

* Sitting fee payable to Government of Kerala.

@ Mr. P. Prabakaran, Nominee Director of Govt. of Kerala was appointed w.e.f. 29th Jan. 2010 in place of Mr. L.C. Goyal

5. Shareholders'/Investors' Transfer/Grievance Committee

The Company has constituted a Shareholders'/Investors' Transfer/Grievance Committee with a view to review the redressal of shareholders' and investors' complaints.

i) Constitution and Composition of Committee

The Committee comprises of the following members:-

| Name of Directors | Designation |
|---------------------|-------------|
| Mr.Onkar S. Kanwar | Chairman |
| Mr. Neeraj Kanwar | Member |
| Mr. T. Balakrishnan | Member |

ii) Functions

- The Committee approves issuance of Duplicate Certificates and oversees and reviews all matters connected with transfer of shares of the Company.
- The Committee looks into the redressal of shareholders' and investors' complaints like transfer of shares, demat of shares, non-receipt of balance sheet and other benefits or information etc.
- The Committee oversees performance of the Registrars and Transfer Agents of the Company and recommends measures for overall improvement in the quality of investor services.
- The Committee approves all transfer/transmission of more than 10000 shares received from a single buyer.

- iii) Meetings
During the year, no Committee meeting was held.
- iv) Others
- Mr. Pradeep Kumar, Company Secretary, has been designated as the Compliance Officer.
 - During the year 2009-2010, no complaints were received by the Company.

6. General Body Meetings

- a) The last three AGMs were held as under: -

| Year | Location | Date | Time |
|-----------|---|------------|-----------|
| 2008-2009 | Sowbagh, Bharat Hotel (BTH), Durbar Hall Road, Ernakulam, Kochi (Kerala) – 682 016 | 22.07.2009 | 2.30 P.M. |
| 2007-2008 | - do - | 17.07.2008 | 2.30 P.M. |
| 2006-2007 | - do - | 25.07.2007 | 3.00 P.M. |

- b) Special Resolutions passed in the previous three AGMs:-

| Year | Special Resolution passed |
|-----------|--|
| 2008-2009 | Resolution under Section 372A for subscribing 11% non-cumulative redeemable preferential shares of Artemis Health Sciences Ltd., subsidiary company. |
| 2007-2008 | Resolution under Section 372A for subscribing equity shares of Artemis Health Science Ltd., subsidiary company. |
| 2006-2007 | No Special resolution was passed |

- c) No Special Resolution passed in the year 2009-10 through postal ballot .

- d) Dividend declared in the last three Annual General Meetings:-

| Financial Year Ended | Dividend |
|----------------------|----------|
| 31.03.2009 | 20% |
| 31.03.2008 | 15% |
| 31.03.2007 | Nil |

7. Disclosures

- a) Related Party Transactions

Related Parties and transactions with them as required under Accounting Standards 18 (AS- 18) are furnished under paragraph number 15 of the Notes to the Accounts attached with the financial statements for the year ended March 31, 2010.

No transaction of material nature has been entered into by the Company with its promoters, Directors or the management, their subsidiary or relatives etc. that may have a potential conflict with the interests of the Company. The Register of Contracts containing transactions, in which Directors are interested, is placed before the Board whenever required.

b) **Risk Management Procedure**

In terms of sub-clause IV.C of Clause 49 of Listing Agreement, the Company has made its Risk Charter and Risk Profile etc. to frame a risk management policy/internal control frame work. The Audit Committee periodically reviews the risk and plan to mitigate the same.

c) **Compliance by the Company**

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years.

8. Means of communication

Quarterly results are normally published in Financial Express (national daily) and Kerala Kumudi (regional language)

9. Management Discussion and Analysis Report

Management Discussion & Analysis Report is Annexed hereto and forms part of the Annual Report (Annexure-B).

10. General Shareholder Information

- a) **Registered office** : 6th Floor,
Cherupushpam Bldg.
Shanmugham Road,
Kochi - 682 031.
- b) **Annual general meeting**
- Date/Day : 28th July, 2010 (Wednesday)
 - Time : 2.30 P.M.
 - Venue : Willingdon Hall
Taj Malabar,
Willingdon Island
Kochi – 682 003
- c) **Financial calendar for financial year 2010-11**
- Financial Reporting for the quarter ending June 30, 2010 : On or before 15th Aug. 2010
 - Financial Reporting for the quarter ending Sept. 30, 2010 : On or before 15th Nov.2010
 - Financial Reporting for the quarter ending Dec.31, 2010 : On or before 15th Feb.2011
 - Financial Reporting for the quarter ending March 31, 2011 : April - May, 2011.
- d) **Date of book-closure** From 16th July, 2010 to 28th July, 2010
- e) **Dividend payment date** On or after 28th July, 2010 but within the statutory time limit.

f) **Listing on stock exchanges**

- | | |
|---|--|
| <p>1. Cochin Stock Exchange Ltd., MES, Dr. P.K. Abdul Gafoor Memorial Cultural Complex, 36/1565, 4th Floor, Judges Avenue, Kaloor, Kochi - 682017. Ph.0484-2400044,2410898 Fax:0484-2400330 E-mail: cse1@vsnl.com</p> | <p>2. Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers, 1st Floor, Dalal Street, Mumbai - 400001 Ph.: 022-22721233/34 Fax: 022-22721919/3027</p> |
| <p>3. National Stock Exchange of India Ltd. Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400051 Ph. : 022-26598100-14 Fax : 022-26598237-38 E-mail: cmlist@nse.co.in</p> | |

The Annual listing fee for the year 2010-2011 has been paid to all the aforesaid Stock Exchanges.

g) **Stock Code**

| | | |
|----------------------------|---|--------|
| Bombay Stock Exchange Ltd. | : | 509220 |
| National Stock Exchange | : | PTL |

h) **Stock Market Price Data for the year 2009-2010****PTL share price on BSE**

| Month | BSE | | | Sensex | |
|--------------|---------------|--------------|---------------------|-----------|-----------|
| | High (Rs.) | Low (Rs.) | Volume (in lacs) | High | Low |
| April, 09 | 9.95 | 7.04 | 1.90 | 11,492.10 | 9,546.29 |
| May, 09 | 17.25 | 8.51 | 6.25 | 14,930.54 | 11,621.30 |
| June, 09 | 18.70 | 14.70 | 3.24 | 15,600.30 | 14,016.95 |
| July, 09 | 16.45 | 13.30 | 0.35 | 15,732.81 | 13,219.99 |
| August, 09 | 17.90 | 13.00 | 1.35 | 16,002.46 | 14,684.45 |
| September,09 | 21.50 | 13.55 | 2.69 | 17,142.52 | 15,356.72 |
| October, 09 | 22.90 | 15.55 | 3.61 | 17,493.17 | 15,805.20 |
| November, 09 | 19.00 | 15.05 | 0.55 | 17,290.48 | 15,330.56 |
| December, 09 | 18.40 | 15.20 | 11.36 | 17,530.94 | 16,577.78 |
| January, 10 | 25.75 | 16.60 | 5.51 | 17,790.33 | 15,982.08 |
| February, 10 | 22.65 | 17.00 | 7.49 | 16,669.25 | 15,651.99 |
| March, 10 | 19.50 | 17.60 | 1.36 | 17,793.01 | 16,438.45 |

PTL share price on NSE

| Month | NSE | | | Nifty | |
|--------------|------------|-----------|------------------|---------|---------|
| | High (Rs.) | Low (Rs.) | Volume (in lacs) | High | Low |
| April, 09 | 9.65 | 7.05 | 1.61 | 3517.25 | 2965.70 |
| May, 09 | 17.70 | 8.70 | 8.67 | 4509.40 | 3478.70 |
| June, 09 | 18.60 | 14.85 | 4.49 | 4693.20 | 4143.25 |
| July, 09 | 16.05 | 3.50 | 0.34 | 4669.75 | 3918.75 |
| August, 09 | 17.65 | 12.85 | 1.37 | 4743.75 | 4353.45 |
| September,09 | 21.60 | 14.00 | 3.66 | 5087.60 | 4576.60 |
| October, 09 | 23.10 | 15.65 | 4.89 | 5181.95 | 4687.50 |
| November, 09 | 18.90 | 15.10 | 1.17 | 5138.00 | 4538.50 |
| December, 09 | 18.25 | 15.25 | 1.90 | 5221.85 | 4943.95 |
| January, 10 | 25.50 | 16.75 | 10.86 | 5310.85 | 4766.00 |
| February, 10 | 22.50 | 17.25 | 1.45 | 4992.00 | 4675.40 |
| March, 10 | 20.20 | 17.15 | 6.64 | 5329.55 | 4935.35 |

- i) **Demat of shares** - The Company signed an agreement with NSDL and CDSL during the year 2001 for providing facilities for Demat of shares to the Investors. The trading in equity shares of the Company is permitted compulsorily in Demat form w.e.f. 02.01.2002 as per notification issued by SEBI.
- j) **Registrar & Transfer Agent** - Alankit Assignments Ltd.
205-206, Anarkali Complex,
Jhandewalan Extension,
New Delhi - 110 055
Tel: 011-42541234,
Fax. 011-23541234
- k) **Share Transfer System**

The Company has appointed Alankit Assignments Ltd. as its R&T Agent to have a common registry for the demat of shares and transfer of shares in physical segment. In any case, all share transfers are completed within the prescribed time limit from the date of receipt, if document meets the stipulated requirement of statutory provisions in all respects. In case of approval of transfer of shares over 10000 shares received from a single buyer Shareholders'/Investors' Transfer/Grievance Committee has power to approve the transfer. The total no. of shares transferred during the year were 26650. All the transfers were completed within stipulated time.

l) **Distribution of shareholding**

The following is the distribution of shareholding of equity shares of the Company as on 31st March, 2010:-

| Share Holding of nominal value of (Rs.) | | Shareholders | | Shares | |
|---|--------|--------------|------------|--------------------|------------|
| | | Number | % of Total | Number | % of Total |
| From | To | | | | |
| 1 | 5,000 | 6402 | 93.36 | 27,01,953 | 4.08 |
| 5,001 | 10,000 | 198 | 2.89 | 7,81,695 | 1.18 |
| 10,001 | 20,000 | 98 | 1.43 | 7,35,751 | 1.11 |
| 20,001 | 30000 | 33 | 0.48 | 4,16,010 | 0.63 |
| 30,001 | 40000 | 26 | 0.38 | 4,71,602 | 0.71 |
| 40,001 | 50000 | 20 | 0.29 | 4,63,847 | 0.70 |
| 50,001 | 100000 | 37 | 0.54 | 13,07,048 | 1.97 |
| 100,001 | above | 43 | 0.63 | 5,93,10,594 | 89.62 |
| TOTAL | | 6857 | 100 | 6,61,88,500 | 100 |

"Group" for inter-se transfer of shares

As required under Clause 3(a) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, the following entities constitute "Group" (within the meaning as defined in the Monopolies and Restrictive Trade Practices Act, 1969) for the purpose of Regulation 10 to 12 of the aforesaid SEBI Regulations: Apollo Finance Ltd., Apollo Tyres Ltd., Sunrays Properties & Investment Co. Pvt. Ltd., Ganga Kaveri Credit & Holding Co. Pvt. Ltd., Sacred Heart Investment Co. Pvt. Ltd., Kenstar Investment & Finance Pvt. Ltd., Neeraj Consultants Ltd., Constructive Finance Pvt. Ltd., Motlay Finance Pvt. Ltd., Indus Valley Investment & Finance Pvt. Ltd., Sargam Consultants Pvt. Ltd., Global Capital Ltd., Apollo International Ltd., OSK Holdings Pvt. Ltd., Classic Auto Tubes Ltd. and Mr.Onkar S.Kanwar along with his family members.

m) **ECS Mandate**

All shareholders are requested to update their bank account details with their respective depositories urgently. This would facilitate transfer of dividend directly to the bank account of the shareholders.

n) **Dematerialization of Shares and Liquidity**

Around 614.14 lac equity shares of the Company comprising 92.79% of equity capital have been dematerialized till 31.3.2010. The equity shares of the Company are traded at Cochin, Mumbai and National Stock Exchanges.

- n) **Plant Location:** : Kalamassery,
Always,
Kerala – 683 104

o) **Address for correspondence**

- i) For share transfer/Demat of shares and any other query relating to Shares : Alankit Assignments Ltd.
205-206, Anarkali Complex,
Jhandewalan Extension,
New Delhi – 110 055
Tel: 011-42541234,
Fax. 011-23541234
E-Mail : mjayrath@alankit.com
- ii) For investors assistance : Share Deptt.
PTL Enterprises Ltd.
6th floor, Cherupushpam Building,
Shanmugham Road, Kochi – 682 031
Tel Nos. : (0484) 2381902-3
Fax : (0484) 2370351
E-Mail : pradeep.khare@apolloytyres.com

- p) The non-mandatory requirements of clauses 49 of the listing agreement and voluntary guidelines issued by the Ministry of Corporate Affairs in December, 2009, have been complied with, wherever possible.

q) **Code of Conduct of Insider Trading**

PTL Enterprises Ltd. has a Code of Conduct for 'Prevention of Insider Trading' in the shares of the Company. The Code of Conduct prohibits the purchase/sale of shares of the Company by employees in possession of unpublished price sensitive information pertaining to the Company. Mr. Pradeep Kumar, Company Secretary, has been appointed as Compliance Officer.

The Code of Conduct is applicable to all the Directors, Departmental Heads and such other employees of the Company who are expected to have access to unpublished price sensitive information.

r) **Code of Conduct for Directors and Senior Management**

PTL Enterprises Ltd. has a Code of Conduct for Directors and Senior Management. The Code envisages that Board of Directors and Senior Management must act within the bounds of the authority conferred upon them and with a duty to make and keep them informed about the development in the industry in which the Company is involved and the legal requirements to be fulfilled.

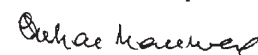
The Code is applicable to all the Directors and senior management of the Company. The Company Secretary is the compliance officer.

Declaration Affirming Compliance of provisions of the Code of Conduct

To the best of my knowledge and belief and on the basis of declarations given to me, I hereby affirm that all the Board members and the senior management personnel have fully complied with the provisions of the Code of conduct for Directors and senior management personnel during the financial year ended March 31, 2010.

Place : Gurgaon
Dated : 28th May, 2010

For PTL Enterprises Ltd.



(Onkar S. Kanwar)
Chairman

COMPLIANCE

The certificate dated 28th May, 2010 obtained from our statutory auditors, M/s. H.N. Mehta Associates, forms part of this Annual Report and the same is given herein:

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE AS PER CLAUSE 49 OF THE LISTING AGREEMENT

To the Members of PTL Enterprises Ltd.

We have examined the compliance of conditions of corporate Governance by PTL Enterprises Ltd. for the year ended 31st March 2010, as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchanges.

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 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.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that as per the records maintained by the Company, there were no investor grievances remaining unattended/pending for more than 30 days.

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 AND ON BEHALF OF
H.N. MEHTA ASSOCIATES
Chartered Accountants

Sd/-
Kiran Pancholi
Partner
(Membership No. 33218)

Place : Mumbai
Dated : 28th May, 2010

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. Industry Structure and Developments

Tyre Industry

Indian tyre industry is an approximately Rs. 250 billion Industry with 4-5 major players accounting for the lion's share of the industry's turnover with a well-diversified product mix and presence in all three major segments of the replacement market, original equipment manufacturer (OEM) and exports. There are a few other companies, smaller in size, with a focus only on one or two categories of tyres, plus tubes and flaps primarily for the replacement market.

The demand and growth dynamics within the industry depend on primary factors like the overall GDP growth, agricultural and industrial production, growth in vehicle demand and secondary factors like infrastructure development, prevailing interest rates and financing options.

The current financial year has seen a resurgence of strong demand - both in the OEM and replacement segments. In the value-based, performance-driven, segment of commercial vehicle tyres, demand from original equipment manufacturers picked up in the last two quarters of the year, after a relatively slow first half. Passenger car tyre sales too picked up across the year, resulting in the Indian tyre industry reverting back to operating at its near full capacity in 2009-10.

Raw material prices remained stable at a comfortable level in the first half. However, towards the end of the financial year, natural rubber touched a high of almost Rs 155/ kg. Crude prices spiraled northwards as well, reaching highs of approximately \$ 82 per barrel. To combat the rising cost of raw materials, some of the manufacturers were forced to undertake price hikes, spread across the 3rd and 4th quarters.

Health Care Business

There is a tremendous shortage of health care services in the country. As per the WHO standards for developing countries, there should be one hospital bed for every 540 people. For a population of 1.1 billion people, India needs to have two million hospital beds. Presently, there are only one million beds in India and clearly it needs to have additional one million beds to conform to WHO standards.

Most of the hospitals in our country are run by physician entrepreneurs, operating in small spaces and lacking in modern facilities. The government infrastructure, which forms the bulk of the hospital beds, is highly strained due to an excess of patients and the limited supply of medical experts and services.

Healthcare delivery and allied businesses are expected to continue to grow furiously for sometime to come. The paradigm changes being witnessed now in the industry make it one of the most exciting business opportunities.

India has an attractive cost advantages with regards to health tourism - particularly for people coming from Europe, North America, Africa and the Middle-East. Additionally, India is also witnessing a reverse brain drain where some of the India-educated doctors are choosing to return to the country of their birth.

Presently, Gurgaon, often referred to as the millennium city of Haryana, has become a preferred destination for organisations looking to set-up their corporate offices/ industrial units; thus, accelerating demand for quality healthcare services.

2. Opportunities and Threats

SWOT Analysis

Strengths

- Tyre producing facility leased to a leading manufacturing company - Apollo Tyres Ltd
- Experienced team of workers
- Fixed income from lease rent of the tyre unit
- Diversification into the health care business - which is a sunrise sector - through its subsidiaries

Weakness

- A relatively old tyre manufacturing unit with not very modern machinery
- No direct presence in the tyre market
- Lack of previous experience in the health care segment
- Most hospitals tend to have a long gestation period

Opportunities

- Manufacturing of the Apollo brand has resulted in technology upgradations
- Dynamic and quick decision making
- Assured revenue through lease arrangement with Apollo Tyres Ltd
- A fast growing trend of medical tourism
- Need of 1 million additional beds; around 89% of these result from investments made by the private sector
- Acquisition of medium to large hospitals in metros, state capitals and tier one cities

Threats

External

- Growing radialisation in the industry
- Increasing competition in the health care business
- Competition with established corporate brands in the hospital segment
- Impact of global recession on medical tourism and tyre industry

Internal

- Reliance on Apollo Tyres Ltd for lease rentals

3. Segment wise performance

The truck-bus, cross ply tyres manufactured at the company's Plant - leased to Apollo Tyres Ltd. - under the brand name 'Apollo' are mostly exported by Apollo Tyres Ltd.

Your company's first super specialty hospital project i.e. Artemis Health Institute (AHI) at Gurgaon, started in July 2007 and since then has come a long way.

Artemis Health Institute is a state-of-the art, tertiary care hospital with super-specialisation in oncology (cancer), cardiology, cardiovascular surgery, orthopedics and minimally invasive surgery. It offers high end care in all other areas of medicine as well. AHI is one of the country's most technologically advanced hospitals and houses best-in-class imaging equipment including PET-CT Fusion Imaging, 64 Slice CT Angiography and IGRT Machine for specialised diagnosis.

Moreover, Artemis Health Institute employs some of the most experienced medical professionals who have been trained abroad and have certifications from foreign medical boards. The hospital largely works in a paperless environment, with all processes seamlessly integrated through a comprehensive Hospital Information System (HIS). At Artemis, adherence to international patient service protocols and infection control norms is strictly maintained, in order to ensure the highest standards of healthcare and patient safety.

In 2009-10 Artemis Health Institute received accreditations from the National Accreditation Board for Hospitals (NABH) and Health Care Organisations. It is to AHI's credit that a hospital this young has received the NABH certification in the first round itself.

4. Outlook

The subsidiary hospital 'Artemis Health Institute' (AHI) has a very positive outlook for the year ahead. The hospital has seen better revenues and higher patient footfall and is in fact, now attracting more and more patients from the NCR as well as the neighbouring upcountry regions.

More specifically, it has a large and growing client base from abroad - especially from Africa, the Middle East and the United States.

Financial year 2007-08 and 2008-09 for AHI constituted the initial gestation period when the subsidiary company was expected to incur losses. The Company has achieved almost cash break even in the financial year 2009-10. It is expected during the financial year 2010-11, the Company would achieve cash break even as well as operating net profit. The management is confident of Artemis' potential to secure funding for future operations and generate profits in the near future.

Consolidation can be expected in the healthcare space over a period of time. The corporate sector is very fragmented in the healthcare business and accounts for only 5% of the total hospital beds. Nursing homes are likely to collaborate with larger medical facilities to be able to offer specialised and better treatment to their patients. Secondly, there is an increasing likelihood of Public-Private Partnership model being adopted in the healthcare sector for hospitals; this can bring in greater efficiency and can also reduce treatment cost.

The subsidiary company is also exploring various possibilities in the R&D business and partnerships with the Government, with a view to provide comprehensive healthcare solutions and services.

5. Risk and concerns

The growth of the tyre industry is dependent on the growth in the automobile industry which is cyclical in nature. The overall demand resurgence has enabled the industry to witness a healthy topline. The continued demand has also enabled the industry to post a better profitability compared to the Previous year that was rather challenging.

The healthcare segment is dependent upon the skill and knowledge of the doctors. The retention of the existing talent and drawing the best talent is an area of constant improvement and concern. To keep up-to-date with the latest technologies offered by medical science is a huge challenge considering the quickly evolving technologies and increasing number of diseases.

6. Information Technology/Internal Control Systems and their adequacies

The company has proper and adequate systems for internal controls to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition and that transactions are authorised, recorded and reported correctly.

The internal control systems are designed to ensure that financial statements and other records are reliable for preparing financial statements and other data for monitoring accountability of assets.

The company has an adequate risk management process which involves identification of various risks, setting out mitigation plans and action taken thereto and evaluation of residual risks.

Artemis Health Institute uses a Hospital Information System (HIS) which links all the hospital services, thus, ensuring a paperless environment. The HIS has been sourced from IBA Healthcare, which is an Australian IT company with a global footprint and more than 100 installations world wide.

7. Discussion on Financial Performance with Respect to Operational Performance

The financial statements have been prepared in accordance with the requirements of the Companies Act, 1956 and applicable accounting standards issued by the Institute of Chartered Accountants of India. The management of the Company accepts the integrity and objectivity of these financial statements as well as the various estimates and judgements used therein. The estimates and judgements relating to the financial statements have been made on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner, the form of transactions and reasonably present the Company's state of affairs and profit for the year.

| Sl.No | Particulars | Rs./Lacs | |
|-------|--------------------------------------|--------------------------|--------------------------|
| | | Year ended 31.03.2010 | Year ended 31.03.2009 |
| 1 | Other Income | 2727.68 | 2676.07 |
| 2 | Total Expenditure | | |
| | - Manufacturing and other Expenses | 166.02 | 212.62 |
| 3 | Operating Profit | 2561.66 | 2463.45 |
| 4 | Interest | 646.26 | 753.79 |
| 5 | Depreciation | 14.64 | 15.98 |
| 6 | Profit before Tax | 1900.76 | 1693.68 |
| 7 | Provision for Tax- Current | 668.90 | 592.43 |
| | - Deferred | (10.49) | (14.49) |
| | - Fringe Benefit Tax | - | 1.10 |
| 8 | Profit after Tax/Net Profit | 1242.35 | 1114.64 |
| 9 | Extraordinary Item | (945.69) | - |
| 10 | Net Profit After Extraordinary Items | 296.66 | 1114.64 |

8. Material Development in Human Resources / Industrial Relations.

The human resource is the key factor contributing to success of any organisation. The Company nurtures and trains its employees to further enhance their management and leadership skills, while at the same time rewarding them for high-performance; this is done to attract and retain the best talent within the company.

The Industrial relations for the year under consideration, by and large, were cordial.

NOTE:

This report contains forward-looking statements that describe our objectives, plans or goals. All statements that address expectations or projections about the future, including, but not limited to statements about the Company's strategy for growth, product development, market position, expenditure and financial results, are forward looking statements. These are subject to certain risks and uncertainties, including but not limited to, government action, local, political or economic development, technological risks, risks inherent in the Company's growth strategy, dependence on certain customers, technical personnel and other factors that could cause actual results to differ materially from those contemplated by the relevant forward looking statements. Investors should bear this in mind as they consider forward-looking statements.

AUDITORS' REPORT TO THE MEMBERS OF PTL ENTERPRISES LTD.

We have audited the attached Balance Sheet of **PTL Enterprises Ltd.**, as at 31st March 2010 along with the annexed Profit and Loss Account and the annexed Cash flow statement of the Company for the year ended on that date. These financial statements are the responsibility of the management of the company. 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 examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

We report as follows:

- I. As required by the Companies (Auditors' Report) Order, 2003, issued by the Department of Company Affairs, in terms of Section 227 (4A) of the Indian Company's Act, 1956 and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us during the course of the audit, we give in the annexure a statement on the matters specified in the paragraphs 4 and 5 of the said order.
- II. Further to our comments in the annexure referred to in paragraph I above;
 1. 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;
 2. 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;
 3. The Balance Sheet, Profit and Loss Account and Cash flow statement dealt with by this Report are in agreement with the books of account;
 4. In our opinion, the Balance Sheet, Profit and Loss Account and Cash flow statement of the Company dealt with by this report, read with the notes and significant Accounting Policies, comply with the Accounting Standards referred to in Sub-Section (3C) of Section 211 of the Company's Act, 1956;
 5. On the basis of written representations received from the Directors and taken on record by the Board of Directors we report that none of the directors of the company is, prima facie, as at 31st March, 2010 disqualified from being appointed as directors of the Company under clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;

6. In our opinion and to the best of our information and according to the explanations given to us, the accounts, read with the notes and significant accounting policies thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:
- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010
 - b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date, and
 - c) in the case of the Cash flow statement, of the cash flows for the year ended on that date.

FOR AND ON BEHALF OF
H.N. MEHTA ASSOCIATES
Chartered Accountants

Sd/-
Kiran Pancholi
Partner
(Membership No. 33218)
(Firm Regn. No. 106219W)

Dated: 28th May, 2010
Place: Mumbai

Annexure referred to in paragraph-I of the Auditors' Report to the members of PTL Enterprises Ltd. on the accounts for the year ended 31stMarch, 2010

- i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.
- (b) Verification of Fixed Assets is being conducted by the management, which in our opinion is reasonable having regard to the size of the Company and the nature of assets. As explained to us, no discrepancies noticed on such verification.
- (c) As the Company has disposed off an insignificant part of the fixed assets during the year, paragraph 4 (i) (c) of the Companies (Auditors' Report) Order, 2003 (hereinafter referred to as the Order) is not applicable.
- ii) (a) At the year end, as explained, the inventories have been physically verified 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 inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the record of inventories, we are of the opinion that, the Company is maintaining proper records of inventories. As explained to us, no discrepancies noticed on physical verification of inventories as compared to book records.
- iii) (a) According to the information and explanations given to us, the Company has taken unsecured loans from a Company covered in the register maintained under Section 301 of the Companies Act, 1956 and maximum amount involved in the transactions was to the tune of Rs. 558.88 lacs.
- (b) The rate of interest and other terms and conditions on which loans taken by the Company, as explained, are prima facie not prejudicial to the interest of the Company.
- (c) The payment of principal amount and interest, wherever applicable, are also regular.
- (d) There is no overdue amount of loans taken from Company listed in the register maintained u/s 301 of the Companies Act, 1956.
- iv) According to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of fixed assets and with regard to the sale of goods. During the course of our audit, no major weakness has been noticed in the underlying internal controls.
- v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained in pursuance of section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained u/s 301 of the Companies Act, 1956 and exceeding the value of Rs.5 lacs in respect of any party during the year, as explained, have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.

- vi) The Company has not accepted any chargeable deposit from the public during the year.
- vii) In our opinion, the Company has an internal audit review system commensurate with its size and nature of its business.
- viii) The Department of Company Affairs vide its File No. 52/366/CAB-89 Dated 2nd June 2009 had exempted PTL Enterprises Ltd. from the requirement of Cost Audit for the year 2008-09 subject to the condition that cost audit report of Apollo Tyres Ltd. for the financial year 2008-09 should also cover the reporting of this Company's unit and as explained to us an application has to be made requesting for an extension of exemption for the year 2009-10 in view of status quo of lease of factory to Apollo Tyres Ltd.
- ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investors education protection fund, employees' state insurance, income tax , professional tax and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax and Cess were in arrears at the year end for a period of more than six months from the date they became payable.
- (c) According to the records of the Company and information and explanations given to us, there are dues of Income tax and sales tax aggregating to Rs. 391.73 Lacs, which have not been deposited on account of various disputes in appeal, the details of which are as under read with notes to accounts vide Note No. B.1 of schedule 10.

| Name of the Statute | Nature of Dues | Amount (Lacs) 2009-10 | Forum where Dispute is pending | Period to which current year amount relates |
|---------------------|------------------|-----------------------|--------------------------------|---|
| Sales Tax | Disputed Demands | 117.12 | High Court | 1987-88 to 1993-94 |
| | | 19.31 | Sales Tax Tribunal | 1995-96 |
| | | 1.13 | -do- | 1998-99 |
| | | <u>137.56</u> | | |
| Income Tax | Disputed Demands | (11.58) | High Court | AY 2002-03 |
| | | (0.43) | -do- | AY 2003-04 |
| | | 100.75 | ITAT | AY 2004-05 |
| | | 22.80 | Comm. of I.Tax | AY 2005-06 |
| | | 30.19 | -do- | AY 2006-07 |
| | | 119.87 | -do- | AY 2007-08 |
| | | <u>(7.43)</u> | -do- | AY 2008-09 |
| | | <u>254.17</u> | | |

- x) The Company does not have accumulated losses at the end of the financial year and has not incurred cash losses during the financial years covered by our audit and immediately preceding financial year.
- xi) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of term loan dues to banks as at the balance sheet date.
- xii) As Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities, paragraph 4 (xii) of the Order is not applicable.

- xiii) As the Company is not a chit fund / nidhi/ mutual benefit funds / society to which the provisions of special statute relating to chit fund are applicable, paragraph 4 (xiii) of the Order is not applicable.
- xiv) As the Company is not dealing or trading in shares, securities, debentures and other investments, paragraph 4 (xiv) of the Order is not applicable.
- xv) The Company is continuing its charge created on its assets for term loan taken by its wholly owned sub-subsidiary company Artemis Medicare Services Private Ltd. during the year 2006-2007 and as explained, it is not prejudicial to the interest of the Company.
- xvi) To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the Company was applied for the purpose for which these loans were raised.
- xvii) As the Company has, during the year, not raised any funds on short term basis, paragraph 4 (xvii) of the Order is not applicable.
- xviii) As the Company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act, paragraph 4 (xviii) of the Order is not applicable.
- xix) As the Company has not issued any debentures, paragraph 4 (xix) of the Order is not applicable.
- xx) During the year, since the Company has not raised money by way of public issue, paragraph 4 (xx) of the Order is not applicable.
- xxi) Based upon the audit procedures performed along with information and explanations given by the management, we report that, no fraud on or by the Company has been noticed during the course of our audit for the year under report.

FOR AND ON BEHALF OF
H.N. MEHTA ASSOCIATES
Chartered Accountants

Sd/-
Kiran Pancholi
Partner

(Membership No. 33218)
(Firm Regn. No. 106219W)

Dated: 28th May, 2010
Place: Mumbai

BALANCE SHEET AS AT 31ST MARCH, 2010

| | Schedule | As at 31st March, 2010 Rs. Lacs | As at 31st March, 2009 Rs. Lacs |
|--|----------|---------------------------------------|---------------------------------------|
| SOURCES OF FUNDS | | | |
| Shareholder's Funds : | | | |
| Share Capital | 1 | 1323.77 | 1323.77 |
| Reserves and Surplus | 2 | 2703.57 | 2792.81 |
| | | <u>4027.34</u> | <u>4116.58</u> |
| Loans : | | | |
| Secured | 3 | 4974.45 | 5331.12 |
| Unsecured | | 5.60 | 5.60 |
| | | <u>4980.05</u> | <u>5336.72</u> |
| Deferred Tax Liability (Net) | | (320.16) | (309.67) |
| T O T A L | | <u>8687.23</u> | <u>9143.63</u> |
| APPLICATION OF FUNDS | | | |
| Fixed Assets : | | | |
| Gross Block | 4 | 2266.06 | 2271.38 |
| Less : Depreciation | | 1594.38 | 1590.62 |
| Net Block | | 671.68 | 680.76 |
| Capital WIP | | 189.23 | 209.23 |
| Investments | 5 | 8084.61 | 9001.11 |
| Current Assets, Loans and Advances : | | | |
| Inventories | 6 | 6.48 | 17.66 |
| Cash and Bank Balances | | 99.69 | 354.30 |
| Loans and Advances | | 4042.84 | 3264.91 |
| | | <u>4149.01</u> | <u>3636.87</u> |
| Less: Current Liabilities and Provisions | 7 | 4407.30 | 4384.34 |
| Net Current Assets | | <u>(258.29)</u> | <u>(747.47)</u> |
| T O T A L | | <u>8687.23</u> | <u>9143.63</u> |
| SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS | | | |
| | 10 | | |

As per our attached Report of even date.

**FOR AND ON BEHALF OF
H.N. MEHTA ASSOCIATES**

Chartered Accountants

KIRAN PANCHOLI
PartnerGurgaon
28th May, 2010ONKAR S KANWAR
ChairmanPRADEEP KUMAR
Company SecretaryA N LAKSHMANAN
Chief Financial OfficerNEERAJ KANWAR
HARISH BAHADUR
K. JACOB THOMAS
PALLAVI SHROFF
T. BALAKRISHNAN
U.S. ANAND
U.S. OBEROI
Directors

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

| | Schedule | Year Ended 31st March, 2010 Rs. Lacs | Year Ended 31st March, 2009 Rs. Lacs |
|--|----------|--|--|
| INCOME | | | |
| Other Income | 8 | 2727.68 | 2676.07 |
| | | 2727.68 | 2676.07 |
| EXPENDITURE | | | |
| Manufacturing and Other Expenses | 9 | 166.02 | 212.62 |
| Depreciation | 4 | 14.64 | 15.98 |
| Interest & Bank Charges | | 646.26 | 753.79 |
| | | 826.92 | 982.39 |
| Profit / (Loss) Before Tax | | 1,900.76 | 1693.68 |
| Provision for Current Tax | | 668.90 | 592.43 |
| Provision for Deferred Tax | | (10.49) | (14.49) |
| Provision for FBT | | - | 1.10 |
| Net Profit | | 1,242.35 | 1,114.64 |
| Extraordinary Items (Refer to note no. B5 of Schedule 10) | | (945.69) | - |
| Net Profit After Extraordinary Items | | 296.66 | 1,114.64 |
| Balance brought forward from previous year | | 2,242.74 | 1,637.84 |
| Appropriations | | | |
| Transfer to General reserve | | 200.00 | 200.00 |
| Proposed Dividend | | 330.94 | 264.75 |
| Dividend Tax | | 54.96 | 44.99 |
| Balance carried to Balance Sheet | | 1,953.50 | 2,242.74 |
| Basic and Diluted Earnings Per Share | | 0.45 | 1.68 |
| Face Value of Rs.2/- each | | | |
| SIGNIFICANT ACCOUNTING POLICIES & NOTES | | | |
| ON ACCOUNTS | 10 | | |

As per our attached Report of even date.

**FOR AND ON BEHALF OF
H.N. MEHTA ASSOCIATES**

Chartered Accountants

KIRAN PANCHOLI
Partner

Gurgaon
28th May, 2010

ONKAR S KANWAR
Chairman

PRADEEP KUMAR
Company Secretary

A N LAKSHMANAN
Chief Financial Officer

NEERAJ KANWAR
HARISH BAHADUR
K. JACOB THOMAS
PALLAVI SHROFF
T. BALAKRISHNAN
U.S. ANAND
U.S. OBEROI
Directors

CASH FLOW STATEMENT**(Rs./Lacs)**

| | Year Ended 31st Mar 2010 | Year Ended 31st Mar 2009 |
|--|-----------------------------|-----------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| (i) NET PROFIT BEFORE TAX & EXTRAORDINARY ITEMS | 2,846.45 | 1693.67 |
| Add - Extra Ordinary Items | (945.69) | - |
| Net Profit after extra ordinary items | 1,900.76 | 1,693.67 |
| Add - Depreciation for the year | 14.64 | 15.98 |
| Provision For Gratuity | 25.54 | 38.99 |
| Provision For Leave Encashment | 29.44 | (3.29) |
| Lease premium on Land written off | 5.80 | 5.80 |
| Interest and Bank Charges | 646.26 | 753.79 |
| Loss/(Profit) on Sale of Assets | (8.60) | 0.85 |
| (ii) OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES | 2,613.84 | 2505.79 |
| Adjustment For | | |
| - Inventory | 11.18 | - |
| - Trade & Other Receivable | (787.88) | 2,253.29 |
| - Trade Payables | (119.96) | 56.10 |
| (iii) CASH GENERATED FROM OPERATIONS | 1,717.18 | 4815.18 |
| - Direct Taxes paid | (658.95) | (636.23) |
| (iv) NET CASH FLOW FROM OPERATING ACTIVITIES | 1,058.23 | 4178.95 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| - Purchase of Fixed Assets including CWIP | 8.64 | (98.54) |
| - Sale of Fixed Assets | 8.60 | 0.16 |
| - Gift of Investment | 945.29 | - |
| - Profit/(Loss) on gift of investment | (945.69) | - |
| - Purchase of Investment | (28.80) | (3000.00) |
| NET CASH USED IN INVESTING ACTIVITY | (11.96) | (3098.38) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| - Dividend paid | (297.95) | (222.03) |
| - Interest and Bank Charges | (646.26) | (753.79) |
| - Increase in Long Term Borrowing | (356.67) | (0.79) |
| NET CASH USED IN FINANCING ACTIVITIES | (1,300.88) | (976.61) |
| Net Increase in Cash or Cash Equivalents | (254.61) | 103.96 |
| Cash or Cash Equivalent as on 01.04.09 (01.04.08) | 354.30 | 250.34 |
| Cash or Cash Equivalent as on 31.03.10 (31.03.09) | 99.69 | 354.30 |

Note:- The above Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard-3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.

As per our attached Report of even date.

**FOR AND ON BEHALF OF
H.N. MEHTA ASSOCIATES**

Chartered Accountants

KIRAN PANCHOLI
Partner

Gurgaon
28th May, 2010

ONKAR S KANWAR
Chairman

PRADEEP KUMAR
Company Secretary

A N LAKSHMANAN
Chief Financial Officer

NEERAJ KANWAR
HARISH BAHADUR
K. JACOB THOMAS
PALLAVI SHROFF
T. BALAKRISHNAN
U.S. ANAND
U.S. OBEROI
Directors

S C H E D U L E S
ANNEXED TO THE ACCOUNTS

SCHEDULE 1- SHARE CAPITAL

| | As at 31st March, 2010 Rs. Lacs | As at 31st March, 2009 Rs. Lacs |
|---|--|--|
| AUTHORISED | | |
| 10,00,00,000 Equity Shares of Rs 2/-each (Previous year 10,00,00,000 Equity Shares of Rs. 2/- each) | <u><u>2,000.00</u></u> | <u><u>2,000.00</u></u> |
| ISSUED, SUBSCRIBED AND PAID UP | | |
| 6,61,88,500 Equity Shares of Rs 2/- each (Previous Year 6,61,88,500 Equity Shares of Rs. 2/- each) | <u><u>1,323.77</u></u> | <u><u>1,323.77</u></u> |
| | <u><u>1,323.77</u></u> | <u><u>1,323.77</u></u> |

Notes : Of the above shares:

- (i) 26,24,800 Equity Shares of Rs 2/-each (Previous year 26,24,800 Equity Shares of Rs 2/-each) allotted as fully paid-up pursuant to contracts without payment being received in cash.
- (ii) 15,00,000 Equity Shares of Rs 2/-each (Previous year 15,00,000 Equity Shares of Rs2/-each) issued as fully paid-up by way of Bonus Shares by capitalisation of reserves.
- (iii) 3,30,17,575 Equity Shares of Rs 2/- each (Previous year 3,30,17,575 equity shares of Rs 2/- each) held by Constructive Finance Pvt Ltd at the year end

SCHEDULE 2- RESERVES & SURPLUS

| | As at 31st March, 2010 Rs. Lacs | As at 31st March, 2009 Rs. Lacs |
|---|--|--|
| Capital Reserve | 0.10 | 0.10 |
| General Reserve | 700.00 | 500.00 |
| Surplus as shown in Profit & Loss Account | 1953.50 | 2242.74 |
| Capital Redemption Reserve | <u><u>49.97</u></u> | <u><u>49.97</u></u> |
| | <u><u>2,703.57</u></u> | <u><u>2,792.81</u></u> |

SCHEDULE 3- LOANS

| | As at 31st March, 2010 Rs. Lacs | As at 31st March, 2009 Rs. Lacs |
|--|--|--|
| SECURED LOANS : | | |
| TERM LOANS | | |
| Term Loan from SBI Cochin (Secured by Equitable mortgage of Land) | 3,594.80 | 3,623.17 |
| Term Loan from Yes Bank New Delhi (Secured by Escrowing of Lease Rentals) | 1379.65 | 1707.95 |
| | <u>4974.45</u> | <u>5,331.12</u> |
| UNSECURED LOANS : | | |
| Dealers' Security Deposits | 5.60 | 5.60 |
| T O T A L | <u>4,980.05</u> | <u>5,336.72</u> |

SCHEDULE 4 - FIXED ASSETS

(Rs. Lacs)

| PARTICULARS | COST / VALUE | | | | DEPRECIATION | | NET BLOCK | |
|---|---------------------------|-----------|------------|---------------------------|-----------------|------------|---------------------------|---------------------------|
| | As at 31st March, 2009 | Additions | Deductions | As at 31st March, 2010 | For the Year | To Date | As at 31st March, 2010 | As at 31st March, 2009 |
| Land | 15.31 | - | - | 15.31 | - | - | 15.31 | 15.31 |
| Lease Hold Land | 511.20 | - | 5.80* | 505.40 | - | - | 505.40 | 511.20 |
| Buildings | 308.98 | - | - | 308.98 | 6.74 | 188.51 | 120.47 | 127.21 |
| Plant & Machinery | 1337.31 | - | 10.88 | 1326.43 | 6.82 | 1311.10 | 15.33 | 22.16 |
| Electrical Installation and Equipments | 35.89 | 0.34 | - | 36.23 | 0.02 | 35.90 | 0.33 | - |
| Vehicles | - | 9.35 | - | 9.35 | 0.50 | 0.50 | 8.85 | - |
| Furniture, Fixture and Appliances | 62.69 | 1.67 | - | 64.36 | 0.56 | 58.37 | 5.99 | 4.88 |
| T O T A L | 2271.38 | 11.36 | 16.68 | 2266.06 | 14.64 | 1594.38 | 671.68 | 680.76 |

* Rs 5.80 lacs represents proportionate lease premium written off.

SCHEDULE 5- INVESTMENTS (AT COST)

| | As at 31st March, 2010 Rs. Lacs | As at 31st March, 2009 Rs. Lacs |
|--|--|---------------------------------------|
| LONG TERM | | |
| UNQUOTED | | |
| Cochin Co-operative Hospital Society 1 Share of Rs.10000/- each fully paid | 0.10 | 0.10 |
| Premier Tyres Employees' Co-operative Stores 10 Shares of Rs.100/- each fully paid | 0.01 | 0.01 |
| Artemis Health Sciences Ltd. 134,34,500(Previous Year 150,10,000) Equity shares of Rs 10/-each fully paid | 8055.70 | 9001.00 |
| Artemis Health Sciences Ltd 28,800 (Previous Year NIL) 11% Non-cumulative Redeemable Preference Shares of Rs 100/- each. | 28.80 | - |
| | <u>8,084.61</u> | <u>9,001.11</u> |

SCHEDULE 6- CURRENT ASSETS, LOANS AND ADVANCES

| | As at 31st March, 2010 Rs. Lacs | As at 31st March, 2009 Rs. Lacs |
|---|---------------------------------------|---------------------------------------|
| CURRENT ASSETS, LOANS AND ADVANCES | | |
| INVENTORY : (as valued and certified by management) | | |
| Stores and Spares | 6.48 | 17.66 |
| | <u>6.48</u> | <u>17.66</u> |
| SUNDRY DEBTORS : | | |
| Considered Doubtful | - | 139.80 |
| Less : Provisions | - | (139.80) |
| | <u>-</u> | <u>-</u> |
| CASH AND BANK BALANCES : | | |
| Cash in hand | 2.45 | 1.36 |
| WITH SCHEDULED BANKS | | |
| Current Accounts | 75.16 | 342.66 |
| Dividend Account | 22.08 | 10.28 |
| | <u>99.69</u> | <u>354.30</u> |
| LOAN AND ADVANCES : | | |
| (Unsecured, Considered Good) | | |
| Advances recoverable in cash or in kind or for value to be received * | 3641.73 | 2853.94 |
| Advance Income Tax and FBT | 3315.06 | 2656.10 |
| Less: Provision for Taxation | 2915.60 | 2246.70 |
| | <u>399.46</u> | <u>409.40</u> |
| Current balances with Customs, Central Excise, Municipal and Sales Tax | 1.65 | 24.81 |
| Less: Provision for Doubtful Advances | - | (23.24) |
| | <u>1.65</u> | <u>1.57</u> |
| | <u>4042.84</u> | <u>3264.91</u> |
| | <u>4149.01</u> | <u>3636.87</u> |

* Includes Rs 3508.76 Lacs (Previous year Rs 2692.21 Lacs) of advance to step down subsidiary company Artemis Medicare Services Ltd.

SCHEDULE 7- CURRENT LIABILITIES AND PROVISIONS

| | As at 31st March, 2010 Rs. Lacs | As at 31st March, 2009 Rs. Lacs |
|------------------------------|---------------------------------------|---------------------------------------|
| CURRENT LIABILITIES : | | |
| Sundry Creditors | 2.28 | 2.49 |
| Unpaid Dividend (07-08) | 10.14 | 10.28 |
| Unpaid Dividend (08-09) | 11.94 | - |
| Others | 2954.36 | 3074.12 |
| | <u>2978.72</u> | <u>3086.89</u> |
| PROVISIONS : | | |
| For Proposed Dividend | 330.94 | 264.75 |
| For Dividend Tax | 54.96 | 44.99 |
| For Gratuity | 935.07 | 909.54 |
| For Leave Encashment | 107.61 | 78.17 |
| | <u>1428.58</u> | <u>1297.45</u> |
| | <u>4407.30</u> | <u>4384.34</u> |

SCHEDULE 8- OTHER INCOME

| | Year Ended 31st March, 2010 Rs. Lacs | Year Ended 31st March, 2009 Rs. Lacs |
|--|--|--|
| Sundry Sales and Miscellaneous Income | 0.07 | 0.07 |
| Leave Encashment Excess Provision Reversed | - | 3.29 |
| Income from Lease/Services * | 2500.00 | 2500.00 |
| Profit on sale of Assets | 8.60 | - |
| Interest Received* | 203.98 | 172.71 |
| Interest on Investment* | 15.03 | - |
| | <u>2727.68</u> | <u>2676.07</u> |
| | <u>448.72</u> | <u>605.64</u> |
| * Tax Deducted at Source | | |

SCHEDULE 9- MANUFACTURING & OTHER EXPENSES

| | Year Ended 31st March, 2010 Rs. Lacs | Year Ended 31st March, 2009 Rs. Lacs |
|---|--|--|
| EMPLOYEES : | | |
| Salaries, Wages and Bonus | 2355.18 | 1853.20 |
| Contribution to Provident and Other Funds | 183.86 | 144.28 |
| Welfare Expenses | 17.98 | 28.18 |
| Gratuity | 164.46 | 160.42 |
| Leave Encashment Provision | 29.44 | - |
| MANUFACTURING, ADMINISTRATIVE AND SELLING : | | |
| Power and Fuel Consumption | 807.20 | 797.31 |
| Stores Consumed | 11.18 | - |
| Advertisement | 3.19 | 2.37 |
| Rent | 6.91 | 7.36 |
| Rates and Taxes | 6.07 | 8.79 |
| Insurance | 7.72 | 9.38 |
| Travelling and Conveyance Expenses | 3.51 | 12.11 |
| Directors' Fee | 3.70 | 3.70 |
| Payment to Statutory Auditors | 1.47 | 1.47 |
| Legal and Professional Charges | 28.82 | 73.56 |
| Loss on sale of assets | - | 0.85 |
| Repair and Maintenance | | |
| - Sundries | 0.49 | 10.25 |
| Printing, Stationery, Postage Telegram & Telephone etc. | 6.86 | 10.47 |
| Re-imbursment towards utilisation of Computer & other ATL Facilities | 34.45 | 32.19 |
| Lease premium of Lease hold Land written off | 5.80 | 5.80 |
| Bad Debts Written Off | 139.80 | |
| Less: Set off against provision | (139.80) | - |
| Doubtful advances written off | 23.24 | |
| Less : Set off against provision | (23.24) | - |
| Miscellaneous Expenses | 1.73 | 3.88 |
| | 3680.02 | 3165.57 |
| Less: Reimbursement of Expenses from Apollo Tyres Ltd. | 3514.00 | 2952.95 |
| | 166.02 | 212.62 |

SCHEDULE 10- SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES

1. Basis of preparation:

The financial statements have been prepared to comply in all material respects with the Notified Accounting Standard by Companies Accounting Standards Rules, 2006 and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company .

2. Use of Estimate:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

3. Fixed Assets:

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Leasehold Land is amortised over the period of lease proportionately.

4. Borrowing Costs:

Borrowing Costs are capitalized as a part of qualifying asset when it results in future economic benefits. Other borrowing costs are expensed.

5. Impairment of Assets:

The carrying amounts of assets are reviewed at each balance sheet date. If there is any indication of impairment based on internal/external factors, an impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

6. Investments:

Investments are stated at Cost and provision for diminution is made if the decline in the value is other than temporary in nature.

7. Inventory Valuation:

Inventories are valued at lower of cost and net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

8. Depreciation:

Depreciation on fixed assets is provided on the straight-line basis at the rates specified in Schedule XIV of the Companies Act, 1956, classifying certain plant and machinery as continuous process plant.

9. Revenue recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

10. Employee Benefits:

- Liability for gratuity to employees is determined on the basis of actuarial valuation as on the balance sheet date.
- Liability for long term compensated absences is determined on the basis of actuarial valuation as on the balance sheet date.
- Contributions to defined contribution schemes such as provident fund, employees pension fund and cost of other benefits are recognised as an expense in the year incurred.

Actuarial gains and losses arising from experience adjustments and effects of changes in actuarial assumptions are immediately recognised in the Profit & Loss account as income or expense.

11. Taxes on Income:

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Unrecognised deferred tax assets of earlier years are re-assessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realised.

12. Expenditure on New Projects:

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalised as part of the indirect construction cost to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the Profit and Loss Account. Income earned during construction period is deducted from the total of the indirect expenditure.

13. Provisions :

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value, except gratuity and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

14. Reimbursement of Expenses:

The manufacturing and operating expenses of the company reimbursed by M/s Apollo Tyres Ltd. in terms of operating lease are deducted from the total expenses and only net expenses are taken to Profit & Loss account.

B. NOTES ON ACCOUNTS**1. Contingent Liabilities**

| Particulars | Amount (Rs. Lacs) 2009-10 | Amount (Rs. Lacs) 2008-09 |
|--------------------|------------------------------|------------------------------|
| Sales Tax | 137.56 | 137.56 |
| Income Tax | 254.17 | 211.94 |
| Employee Liability | 1.44 | 1.44 |

2. Artemis Medicare Services Ltd., a step down subsidiary of the Company has availed a loan of Rs 5,000 Lacs from State Bank of India Ernakulam & a loan of Rs 5,175 Lacs from State Bank of Mysore New Delhi. The Loan is secured by a charge over the entire fixed assets of the Company.

3. a). A deferred tax assets (Net) amounting to Rs 10.49 lacs has been recognised in the accounts for the year in accordance with the Accounting Standard "Accounting for taxes on Income" (AS 22). The deferred tax asset in respect of gratuity and leave encashment liability has been recognised during the year in view of the sustained profitability and regular tax payouts.

b). The Components of Net Deferred Tax (Assets)/Liability as on 31 st March 2010 are as under:

| PARTICULARS | 31 st March, 2010 | 31 st March, 2009 |
|--|------------------------------|------------------------------|
| a) Deferred Tax Liability on timing difference arising on Depreciation | 10.63 | 26.05 |
| b) Deferred Tax Assets on timing difference arising on provision for Gratuity & Leave Encashment Liability | (330.79) | (335.72) |
| Net Deferred Tax | (320.16) | (309.67) |

4. The Company had taken 20.78 acres of land on 90 years lease w.e.f. 24.05.2007 at a premium of Rs 519.50 lacs and the premium with other capitalised cost is amortized over a period of 90 years. Monthly lease rental, lighting expenses, water charges etc are debited as revenue expenditure.

5. Extra Ordinary item represents transfer by way of gift of 15,75,500 shares held by the company in its subsidiary "Artemis Health Sciences Ltd.," to CEO of its healthcare business towards his contribution in developing health care business as part of growth and expansion plans of its subsidiary.

6. The investment in Subsidiary company Artemis Health Sciences Ltd to the extent of 5,100 equity shares of Rs 10/-each are held in the name of nominees.

7. The Company has leased out its plant to Apollo Tyres Ltd. for a period of eight years w.e.f. 01.04.2006. The lease rent, which is renewable annually as per the lease agreement at a rate to be mutually agreed, amounting to Rs 2,500 Lacs for the year, has been credited to Profit & Loss Account.

8. The Company's operation predominantly comprises of only one segment -Income from lease of plant to Apollo Tyres Ltd as per agreement and there are no other business/ geographical segments to be reported as required under Accounting Standard (AS17) "Segmental Reporting" issued by The Institute of Chartered Accountants of India.

9. Some of the Sundry Creditors and unsecured loans are subject to confirmation.

10. As per information available with the company

- (a) Amount due to Micro, Medium & Small Enterprises - Nil
- (b) Amount due to Investor Education & Protection Fund- Nil
- (c) Amount due to Labour Welfare Fund - Nil

11. PAYMENTS TO STATUTORY AUDITORS

| | For the year Ended 31st March, 2010 Rs. Lacs | For the year Ended 31st March, 2009 Rs. Lacs |
|-------------------|---|---|
| (1) As Audit fee | 0.75 | 0.75 |
| (2) Tax Audit | 0.15 | 0.15 |
| (3) Certification | <u>0.57</u> | <u>0.57</u> |
| | <u>1.47</u> | <u>1.47</u> |

12. Information pursuant to the provision of para 3 and 4 of part II of Schedule VI of the Companies Act, 1956 (Quantitative information as certified by the Management).

a) INSTALLED CAPACITY AND PRODUCTION

| Class of goods | Installed Capacity | Production * | Installed Capacity | Production * |
|------------------|--------------------|--------------|--------------------|--------------|
| | Nos | Nos | Nos | Nos |
| | 2009-2010 | | 2008-2009 | |
| Automotive Tyres | 6,00,000 | - | 6,00,000 | -- |

*No production has been shown as the plant of the Company has been given on lease to Apollo Tyres Ltd .

| | For the year Ended 31st March, 2010 | | For the year Ended 31st March, 2009 | |
|----------------------|--|---------|--|---------|
| | Nos | Rs Lacs | Nos | Rs Lacs |
| b) SALES | | | | |
| Automotive Tyres | — | — | — | — |
| c) STOCKS | | | | |
| (1) Automotive Tyres | | | | |
| Opening Stock | — | — | — | — |
| Closing Stock | — | — | — | — |

13. Earnings Per Share (EPS)

The Numerator and denominator used to calculate Basic and Diluted Earnings per share:

| | For the year Ended 31st March, 2010 | For the year Ended 31st March, 2009 |
|---|--|--|
| Profit attributable to Equity Share Holders(Rs lacs) – A | 296.66 | 1114.63 |
| Basic number of Equity shares Outstanding during the year – B | 6,61,88,500 | 6,61,88,500 |
| Basic /Diluted Earnings Per Share of Rs 2/- | 0.45 | 1.68 |

14. The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service receives gratuity on leaving the Company at 15 days salary (last drawn salary) for each completed year of service.

The following table summaries the components of net benefit expense recognised in the profit and loss account and amounts recognised in the balance sheet. (Net of reimbursement from Apollo Tyres Ltd.)

Profit & Loss Account

Employee benefit expenses (recognised in employees cost)

| Particulars | (Rs.Lacs) | |
|----------------------|--------------|--------------|
| | 2009-10 | 2008-09 |
| Current Service Cost | 45.83 | 44.68 |
| Interest Cost | 72.76 | 69.64 |
| Net Actuarial Loss | (93.06) | (75.33) |
| Benefit Paid | 138.93 | 121.43 |
| Benefit Reimbursed | (138.93) | (121.43) |
| | <u>25.53</u> | <u>38.99</u> |

Balance Sheet

Details of Provision For Gratuity

| Particulars | (Rs.Lacs) | |
|---|-----------|----------|
| | 2009-10 | 2008-09 |
| Defined benefit obligation (As on 31.03.2010) | 935.07 | 909.54 |
| Net Asset/(Liability) recognized | (935.07) | (909.54) |

Changes in the present value of the defined benefit obligation are as follows:

| Particulars | (Rs.Lacs) | |
|--|---------------|---------------|
| | 2009-10 | 2008-09 |
| Present value of obligations as at the beginning of the year | 909.54 | 870.55 |
| Interest cost | 72.76 | 44.68 |
| Current Service Cost | 45.83 | 69.64 |
| Actuarial Loss on obligation | (93.06) | (75.33) |
| Benefit Paid | 138.93 | 121.43 |
| Benefit Reimbursed | (138.93) | (121.43) |
| Present value of obligations as at the end of the year | <u>935.07</u> | <u>909.54</u> |

Principal actuarial assumptions

| Particulars | Rate (%) |
|-----------------------------------|----------|
| a) Discount rate as on 31.03.2010 | 8.00 |
| b) Future salary increase | 4.00 |

The estimate of future salary increase takes into account inflation, seniority, promotions and other relevant factors.

15. Disclosure of the relationship and transactions in accordance with Accounting Standard 18- Related Party Disclosures issued by the Institute of Chartered Accountants of India.

| Particulars | 2009-10 | 2008-09 |
|---------------------|--|---|
| Subsidiaries | Artemis Health Sciences Ltd. (AHSL) | Artemis Health Sciences Pvt. Ltd. (AHSPL) |
| | Artemis Medicare Services Ltd. (AMSL) | Artemis Medicare Services Pvt. Ltd. (AMSPL) |
| | Artemis Life Sciences Pvt. Ltd. | Artemis Life Sciences Pvt. Ltd. |
| | Artemis Mediequipments Pvt. Ltd. | Artemis Mediequipments Pvt. Ltd. |
| | Artemis Medical Institute & Hospitals Pvt. Ltd. | Artemis Medical Institute & Hospitals Pvt. Ltd. |
| Associates | Apollo Tyres Ltd. (ATL) | Apollo Tyres Ltd. (ATL) |
| | Apollo International Ltd. | Apollo International Ltd. |
| | Neeraj Consultants Ltd. | Neeraj Consultants Ltd. |
| | Sunrays Properties & Investments Co. Pvt. Ltd. | Sunrays Properties & Investments Co. Pvt. Ltd. |
| | Sacred Heart Investments Co. Pvt. Ltd. | Sacred Heart Investments Co. Pvt. Ltd. |
| | Motlay Finance Pvt. Ltd. | Motlay Finance Pvt. Ltd. |
| | Ganga Kaveri Credit & Holding Pvt. Ltd. | Ganga Kaveri Credit & Holding Pvt. Ltd. |
| | Global Capital Ltd. | Global Capital Ltd. |
| | Indus valley Investment & Finance Pvt. Ltd. | Indus valley Investment & Finance Pvt. Ltd. |
| | Apollo Finance Ltd. | Apollo Finance Ltd. |
| | Sargam Consultants Pvt. Ltd. | Sargam Consultants Pvt. Ltd. |
| | Kenstar Investment & Finance Pvt. Ltd. | Kenstar Investment & Finance Pvt. Ltd. |

**Transactions with Related Parties
2009-10**

(Rs.in Lacs)

| Particulars | Subsidiaries | Associates | Total |
|--|--------------|------------|-----------|
| Lease income of Factory from ATL | - | 2500.00 | 2500.00 |
| Interest received on Loan AMSL | 203.98 | - | 203.98 |
| Interest Paid ATL | - | 30.94 | 30.94 |
| Reimbursement of Expenses received | - | 3514.00 | 3514.00 |
| ATL (including sale of spares at cost 11.18 Lakhs) | | | |
| Reimbursement towards utilization of Computer and other ATL Facilities (net) paid | - | 34.45 | 34.45 |
| Investment in equity, AHSL | 28.80 | - | 28.80 |
| Loan with Interest, AMSL | 816.55 | - | 816.55 |
| Rent paid, ATL | - | 0.12 | 0.12 |
| Amount Outstanding Dr./(Cr.) | | | |
| Apollo Tyres Ltd | - | (2671.99) | (2671.99) |
| Artemis Medicare Services Ltd | 3508.76 | - | 3508.76 |

2008-09

(Rs.in Lacs)

| Particulars | Subsidiaries | Associates | Total |
|--|--------------|------------|-----------|
| Lease income of Factory, ATL | - | 2500.00 | 2500.00 |
| Interest received on Loan, AMSPL | 172.71 | - | 172.71 |
| Interest Paid ATL | - | 38.85 | 38.85 |
| Reimbursement of Expenses received ATL | - | 2952.95 | 2952.95 |
| Reimbursement towards utilization of Computer and other ATL Facilities (net) paid | - | 32.19 | 32.19 |
| Investment in equity, AHSP | 3000.00 | - | 3000.00 |
| Loan with Interest, AMSPL | 560.86 | - | 560.86 |
| Rent paid, ATL | - | 0.12 | 0.12 |
| Amount Outstanding Dr./(Cr.) | | | |
| Apollo Tyres Ltd | - | (2896.70) | (2896.70) |
| Artemis Medicare Services Pvt. Ltd | 2692.21 | - | 2692.21 |
| Artemis Health Sciences Pvt. Ltd. | 28.80 | - | 28.80 |

16. Previous years figures are given in brackets
17. Previous years figures have been regrouped wherever necessary.

Signature to schedule "1 to 10"

As per our attached Report of even date.

**FOR AND ON BEHALF OF
H.N. MEHTA ASSOCIATES**

Chartered Accountants

KIRAN PANCHOLI

Partner

Gurgaon

28th May, 2010

ONKAR S KANWAR
Chairman

PRADEEP KUMAR
Company Secretary

A N LAKSHMANAN
Chief Financial Officer

NEERAJ KANWAR
HARISH BAHADUR
K. JACOB THOMAS
PALLAVI SHROFF
T. BALAKRISHNAN
U.S. ANAND
U.S. OBEROI
Directors

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE
As per Schedule VI Part (iv) of The Companies Act, 1956

| | | |
|------------|--|------------|
| I | REGISTRATION DETAILS | |
| | Registration No. | 9300 |
| | State Code | 9 |
| | Balance Sheet Date | 31.03.2010 |
| II | CAPITAL RAISED DURING THE YEAR (Amount in Rs Thousands) | |
| | Public Issue | - |
| | Rights Issue | - |
| | Private Placement | - |
| | Bonus | - |
| III | POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS(Amount in Rs Thousands) | |
| | Total Liabilities ** | 868723 |
| | Total Assets | 868723 |
| | SOURCES OF FUNDS | |
| | Paid up Capital | 132377 |
| | Reserves & Surplus | 270357 |
| | Secured Loans | 497445 |
| | Unsecured Loans | 560 |
| | ** Deferred Tax (Assets)/ Liability (Net) Rs 32016 Thousands | |
| | APPLICATION OF FUNDS | |
| | Net Fixed Assets | 86091 |
| | Investments | 808461 |
| | Net Current Assets | (25829) |
| | Mis Expenditure | - |
| | Accumulated Losses | - |
| IV | PERFORMANCE OF THE COMPANY (Amount in Rs Thousands) | |
| | Turnover including Other Incomes | 272768 |
| | Total Expenditure | 177261 |
| | Profit Before Tax | 95507 |
| | Profit After Tax | 29666 |
| | Earnings Per Share (Rs) | 0.45 |
| | Dividend Rate (%) | 25% |
| V | GENERIC NAMES OF THREE PRINCIPAL PRODUCTS /SERVICES OF THE COMPANY | |
| | ITEM CODE NO.(ITC CODE) | TYRES |
| | Passenger /Jeep | 40111000 |
| | Bus/Lorries | 40112000 |
| | Tractor | 40119902 |

Gurgaon
28th May, 2010

ONKAR S KANWAR
Chairman

PRADEEP KUMAR
Company Secretary

A N LAKSHMANAN
Chief Financial Officer

NEERAJ KANWAR
HARISH BAHADUR
K. JACOB THOMAS
PALLAVI SHROFF
T. BALAKRISHNAN
U.S. ANAND
U.S.OBEROI
Directors

**STATEMENT PURSUANT TO SECTION 212(3) OF THE COMPANIES ACT, 1956
RELATING TO SUBSIDIARY COMPANIES**

| NAME OF THE SUBSIDIARY | ARTEMIS HEALTH SCIENCES LTD. | ARTEMIS MEDICARE SERVICES LTD. | ARTEMIS LIFE SCIENCES PVT. LTD. | ARTEMIS MEDIEQUIPMENTS PVT. LTD. | ARTEMIS MEDICAL INSTITUTE & HOSPITALS PVT. LTD. |
|--|---|--|--|--|---|
| NUMBER OF SHARES HELD IN THE SUBSIDIARY COMPANY | 1,34,34,500, shares of Rs 10/-each fully paid | Subsidiary through Artemis Health Sciences Ltd | Subsidiary through Artemis Health Sciences Ltd | Subsidiary through Artemis Health Sciences Ltd | Subsidiary through Artemis Health Sciences Ltd |
| PERCENTAGE OF HOLDING IN THE SUBSIDIARY COMPANY | 81.37% | 81.37% | 81.37% | 81.37% | 81.37% |
| FINANCIAL YEAR ENDED | 31st March 2010 | 31st March 2010 | 31st March 2010 | 31st March 2010 | 31st March 2010 |
| PROFIT/(LOSSES) OF THE SUBSIDIARY COMPANY FOR ITS FINANCIAL YEAR SO FAR AS IT CONCERNS THE MEMBERS OF PTL ENTERPRISES LTD WHICH HAVE NOT BEEN DEALT WITH IN THE ACCOUNTS OF PTL ENTERPRISES LTD FOR THE YEAR ENDED 31ST MARCH 2010 | | | | | |
| FOR THE YEAR | Rs (93,926) | Rs (8,80,57,061) | Rs (43,748) | Rs (43,748) | Rs (43,748) |
| FOR THE PREVIOUS FINANCIAL YEARS | Rs (17,68,539) | Rs (53,29,43,675) | Rs (1,21,872) | Rs (1,21,709) | Rs (1,52,269) |
| TOTAL ACCUMULATED UP TO THE YEAR | Rs (18,62,465) | Rs (62,10,00,736) | Rs (1,65,620) | Rs (1,65,457) | Rs (1,96,017) |
| THE NET AGGREGATE OF PROFITS/(LOSSES) OF THE SUBSIDIARY COMPANY FOR ITS FINANCIAL YEAR SO FAR AS IT CONCERNS THE MEMBERS OF PTL ENTERPRISES LTD WHICH HAVE BEEN DEALT WITH IN THE ACCOUNTS OF PTL ENTERPRISES LTD FOR THE YEAR ENDED 31ST MARCH 2010 | | | | | |
| FOR THE YEAR | NIL | NIL | NIL | NIL | NIL |
| FOR THE PREVIOUS FINANCIAL YEARS | NIL | NIL | NIL | NIL | NIL |
| TOTAL ACCUMULATED UP TO THE YEAR | NIL | NIL | NIL | NIL | NIL |

Gurgaon
28th May, 2010

ONKAR S KANWAR
Chairman

PRADEEP KUMAR
Company Secretary

A N LAKSHMANAN
Chief Financial Officer

NEERAJ KANWAR
HARISH BAHADUR
K. JACOB THOMAS
PALLAVI SHROFF
T. BALAKRISHNAN
U.S. ANAND
U.S. OBEROI
Directors

AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF PTL ENTERPRISES LTD., ON THE CONSOLIDATED FINANCIAL STATEMENT

1. We have examined the attached Consolidated Balance Sheet of PTL Enterprises Ltd. and its subsidiary along with sub-subsidiaries (the Group) as at 31st March, 2010, the Consolidated Profit and Loss Account for the year ended on that date and the Consolidated Cash flow statement for the year ended on that date. This Consolidated Financial Statement is the responsibility of PTL Enterprises Ltd.'s management and has been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these Financial Statements based on our Audit.
2. We conducted our audit in accordance with generally accepted auditing standards in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principals 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.
3. We did not audit the financial statements of subsidiary and sub-subsidiaries (the Group), whose consolidated financial statements reflect the Group's share of total assets of Rs. 2,83,04,65,551/- (Previous Year Rs. 2,66,78,82,927/-) as at 31st March, 2010, the Group's total revenue of Rs. 126,67,71,282/- (Previous Year Rs. 78,77,69,047/-) for the year ended on that date and net cash inflow amounting to Rs. 4,14,13,933/- (Previous Year in flow of Rs. 4,17,94,267/-) for the year ended on that date as considered in the consolidated financial statements. These consolidated financial statements have been audited by Kumar Sharma & Co., Chartered Accountants, and whose consolidated financial report has been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of the subsidiary and sub-subsidiary companies, is based solely on the report of these auditors.
4. We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements and Accounting Standard (AS) 23, Accounting for investments in associates in Consolidated Financial Statements issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of PTL Enterprises Ltd. and its subsidiary and sub-subsidiary companies included in the consolidated financial statements.
5. On the basis of the information and explanation given to us read with the notes to the consolidated accounts and on consideration of the separate audit report on the consolidated accounts of Group subsidiary and sub-subsidiary companies, we are of the opinion that,
 - a) The consolidated Balance Sheet gives a true and fair view of the consolidated state of affairs of PTL Enterprises Ltd., and its subsidiary and sub-subsidiary companies as at 31st March, 2010,
 - b) The consolidated Profit and Loss account gives a true and fair view of the consolidated result of operation of PTL Enterprises Ltd., and its subsidiary and sub-subsidiary companies for the year ended on that date, and
 - c) The consolidated Cash flow statement gives a true and fair view of the consolidated cash flows of PTL Enterprises Ltd. and its subsidiary and sub-subsidiary companies for the year ended on that date.

**FOR AND ON BEHALF OF
H.N. MEHTA ASSOCIATES**
Chartered Accountants

Sd/-
Kiran Pancholi
Partner

(Membership No. 33218)
(Firm Regn. No. 106219W)

Dated: 28th May, 2010

Place: Mumbai

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

| | Schedule | As at 31st March, 2010 Rs. Lacs | As at 31st March, 2009 Rs.Lacs |
|--|----------|---------------------------------------|--------------------------------------|
| SOURCES OF FUNDS | | | |
| Shareholder's Funds : | | | |
| Share Capital | 1 | 1,323.77 | 1,323.77 |
| Reserves and Surplus | 2 | 285.65 | (271.29) |
| | | <u>1,609.42</u> | <u>1,052.48</u> |
| Loans : | 3 | | |
| Secured | | 16,943.83 | 17,204.74 |
| Unsecured | | 305.60 | 5.60 |
| | | <u>17,249.43</u> | <u>17,210.34</u> |
| Minority Interest (Refer Note B 3) | | 212.90 | - |
| Deferred payment Liability (Refer Note B 14) | | 940.00 | 940.00 |
| Deferred Tax Liability/(Assets) (Net) | | (320.16) | (309.67) |
| T O T A L | | <u><u>19,691.59</u></u> | <u><u>18,893.15</u></u> |
| APPLICATION OF FUNDS | | | |
| Fixed Assets : | 4 | | |
| Gross Block | | 22,122.42 | 21,472.19 |
| Less : Depreciation | | 3,767.25 | 2,931.48 |
| Net Block | | 18,355.17 | 18,540.71 |
| Capital Work In Progress | | 354.96 | 688.26 |
| | | <u>18,710.13</u> | <u>19,228.97</u> |
| Goodwill on Consolidation (Refer Note B 4) | | 3,890.73 | 2,945.04 |
| Investments | 5 | 0.11 | 0.11 |
| Current Assets, Loans and Advances : | 6 | | |
| Inventories | | 514.11 | 359.32 |
| Sundry Debtors | | 951.13 | 606.36 |
| Cash and Bank Balances | | 1,453.37 | 1,264.71 |
| Loans and Advances | | 947.92 | 826.36 |
| | | <u>3,866.53</u> | <u>3,056.75</u> |
| Less: Current Liabilities and Provisions | 7 | 6,775.91 | 6,337.72 |
| Net Current Assets | | <u>(2,909.38)</u> | <u>(3,280.97)</u> |
| T O T A L | | <u><u>19,691.59</u></u> | <u><u>18,893.15</u></u> |
| SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS | 10 | | |

As per our attached Report of even date.

**FOR AND ON BEHALF OF
H.N. MEHTA ASSOCIATES**
Chartered Accountants

KIRAN PANCHOLI
Partner

Gurgaon
28th May, 2010

ONKAR S KANWAR
Chairman

PRADEEP KUMAR
Company Secretary

A N LAKSHMANAN
Chief Financial Officer

NEERAJ KANWAR
HARISH BAHADUR
K. JACOB THOMAS
PALLAVI SHROFF
T. BALAKRISHNAN
U.S. ANAND
U.S. OBEROI
Directors

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

| | Schedule | Year ended 31st March, 2010 Rs. Lacs | Year ended 31st March, 2009 Rs.Lacs |
|---|----------|--|---|
| INCOME | | | |
| Income from Operations | | 12,524.15 | 7764.38 |
| Other Income | 8 | 2,667.26 | 2616.67 |
| | | <u>15,191.41</u> | <u>10,381.05</u> |
| EXPENDITURE | | | |
| Manufacturing and Other Expenses | 9 | 11,570.46 | 8,326.58 |
| Depreciation | | 853.39 | 798.30 |
| Interest | | 1,896.94 | 2,056.88 |
| | | <u>14,320.79</u> | <u>11,181.76</u> |
| Profit / (Loss) Before Tax | | 870.62 | (800.71) |
| Provision for Current Tax | 669.55 | | 592.75 |
| Provision for Deferred Tax | (10.49) | | (14.49) |
| Provision/Expense for FBT | 1.12 | <u>(660.18)</u> | <u>27.32</u> |
| Profit/(Loss) After Tax | | 210.44 | (1,406.29) |
| Minority Interest | | <u>161.47</u> | <u>260.09</u> |
| Profit / (Loss) After Minority Interest | | 371.91 | (1,146.20) |
| Net Profit after Extraordinary Item | | 371.91 | (1,146.20) |
| Balance brought forward from previous year | | (3,178.37) | (1,522.43) |
| Appropriations | | | |
| Transfer to General reserve | | 200.00 | 200.00 |
| Proposed Dividend | | 330.94 | 264.75 |
| Dividend tax | | 54.96 | 44.99 |
| Balance carried to Balance Sheet | | <u>(3,392.36)</u> | <u>(3,178.37)</u> |
| Basic and Diluted Earnings Per Share (Face Value of Rs.2/- each) | | 0.56 | (1.73) |
| SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS | 10 | | |

As per our attached Report of even date.

**FOR AND ON BEHALF OF
H.N. MEHTA ASSOCIATES**
Chartered Accountants

KIRAN PANCHOLI
Partner

Gurgaon
28th May, 2010

ONKAR S KANWAR
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U.S. ANAND
U.S.OBEROI
Directors

CASH FLOW STATEMENT**(Rs./Lacs)**

| | Year Ended 31st Mar 2010 | Year Ended 31st Mar 2009 |
|--|-----------------------------|-----------------------------|
| A CASH FLOW FROM OPERATING ACTIVITIES | | |
| (i) NET PROFIT BEFORE TAX | 870.62 | (800.71) |
| Add - Depreciation for the year | 853.39 | 798.30 |
| - Provision For Gratuity | 25.54 | 48.38 |
| - Provision For Leave Encashment | 29.44 | 40.32 |
| - Provision for doubtful debts | 54.37 | 8.65 |
| - Bad Debts Written Off | 45.29 | - |
| - Lease premium on Land written off | 5.80 | 5.80 |
| - Interest and Bank Charges | 1,896.94 | 2,056.88 |
| - Interest received | (50.03) | (46.60) |
| - Loss / (Profit) on Sale of Assets | 6.64 | 9.69 |
| | 2,867.38 | 2,921.42 |
| (ii) OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES | 3,738.00 | 2,120.71 |
| Adjustment For | | |
| - Inventory | (154.78) | 83.99 |
| - Trade & Other Receivable | 2,283.41 | (535.60) |
| - Trade Payables | (3,215.21) | 93.11 |
| | (1,086.58) | (358.50) |
| (iii) CASH GENERATED FROM OPERATIONS | 2,651.42 | 1,762.21 |
| - Direct Taxes paid | (797.01) | (623.74) |
| (iv) NET CASH FLOW FROM OPERATING ACTIVITIES | 1,854.41 | 1,138.47 |
| B CASH FLOW FROM INVESTING ACTIVITIES | | |
| - Purchase of Fixed Assets | (359.40) | (1,099.81) |
| - Sale of Fixed Assets | 12.41 | 8.62 |
| - Interest received | 49.68 | 46.60 |
| - Gift of Investment | (0.40) | - |
| - Purchase of Investment | (28.80) | - |
| NET CASH USED IN INVESTING ACTIVITY | (326.51) | (1,044.59) |
| C CASH FLOW FROM FINANCING ACTIVITIES | | |
| - Deferred payment Liabilities | - | - |
| - Dividend Paid | (297.94) | (188.29) |
| - Interest and Bank Charges Paid | (1,730.39) | (2,055.65) |
| - Repayment of Dealers security deposit | - | - |
| - Increase in Long Term Borrowing | 689.09 | 1,985.38 |
| NET CASH USED IN FINANCING ACTIVITIES | (1,339.24) | (258.56) |
| Net Increase in Cash or Cash Equivalents | 188.66 | (164.68) |
| Cash or Cash Equivalent as on 01.04.09 (01.04.08) | 1,264.71 | 1,429.39 |
| Cash or Cash Equivalent as on 31.03.10 (31.03.09) | 1,453.37 | 1,264.71 |

Note:- The above Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard-3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.

As per our attached Report of even date.

**FOR AND ON BEHALF OF
H.N. MEHTA ASSOCIATES**
Chartered Accountants

KIRAN PANCHOLI
Partner

Gurgaon
28th May, 2010

ONKAR S KANWAR
Chairman

PRADEEP KUMAR
Company Secretary

A N LAKSHMANAN
Chief Financial Officer

NEERAJ KANWAR
HARISH BAHADUR
K. JACOB THOMAS
PALLAVI SHROFF
T. BALAKRISHNAN
U.S. ANAND
U.S. OBEROI
Directors

SCHEDULES TO CONSOLIDATED ACCOUNTS ANNEXED TO THE ACCOUNTS

SCHEDULE 1- SHARE CAPITAL

| | As at 31st March, 2010 Rs. Lacs | As at 31st March, 2009 Rs. Lacs |
|---|---------------------------------------|---------------------------------------|
| AUTHORISED | | |
| 10,00,00,000 Equity Shares of Rs. 2/- each (Previous Year 2,00,00,000 Equity Shares of Rs.2/- each) | <u>2,000.00</u> | <u>2,000.00</u> |
| ISSUED, SUBSCRIBED AND PAID UP | | |
| 6,61,88,500 Equity Shares of Rs. 2/- each (Previous Year 6,61,88,500 Equity Shares of Rs.2/- each) | <u>1,323.77</u> | <u>1,323.77</u> |
| | <u>1,323.77</u> | <u>1,323.77</u> |

Notes: Of the above shares:

- (i) 26,24,800 Equity Shares of Rs 2/-each (Previous year 26,24,800 Equity Shares of Rs 2/-each) allotted as fully paid-up pursuant to contracts without payment being received in cash.
- (ii) 15,00,000 Equity Shares of Rs2/-each (Previous year 15,00,000 Equity Shares of Rs2/-each) issued as fully paid-up by way of Bonus Shares by capitalisation of reserves.
- (iii) 3,30,17,575 Equity Shares of Rs2/- each (Previous year 3,30,17,575 equity shares of Rs 2/- each) held by Constructive Finance Pvt Ltd at the year end

SCHEDULE 2- RESERVES & SURPLUS

| | As at 31st March, 2010 Rs. Lacs | As at 31st March, 2009 Rs. Lacs |
|--|---------------------------------------|---------------------------------------|
| Capital Reserve | 0.10 | 0.10 |
| General Reserve | 700.00 | 500.00 |
| Capital Redemption Reserve | 49.97 | 49.97 |
| Surplus in P&L Account | (3,392.36) | (3,178.37) |
| Adjustment arising for excess of cost of investment over net equity in subsidiary | 2,927.94 | 2,927.94 |
| Loss attributable to Minority Interest in excess of their equity adjusted in Reserves | - | (570.93) |
| | <u>285.65</u> | <u>(271.29)</u> |

SCHEDULE 3- LOANS

| | As at 31st March, 2010 Rs .Lacs | As at 31st March, 2009 Rs. Lacs |
|---|--|---------------------------------------|
| SECURED LOANS : | | |
| TERM LOAN | | |
| Term Loan from SBI Cochin (Secured by equitable mortgage of Land of the Parent Company) | 3,594.80 | 3,623.17 |
| Term Loan from Yes Bank New Delhi (Secured by Escrowing of Lease Rentals of the Parent Company) | 1,379.65 | 1,707.95 |
| State Bank of India Ernakulam | 5,576.21 | 5,628.66 |
| State Bank of Mysore New Delhi (Loan from State Bank of India Ernakulam & State Bank of Mysore New Delhi are Secured by:) | 6,393.18 | 6,244.96 |
| <ul style="list-style-type: none"> - First charge on the entire Fixed Assets of the Subsidiary Company (Immovable & Movable) both present & future ranking parri-passu with the Term lenders. - Collateral Charge over the entire fixed assets of the Parent Company. | | |
| | <u>16,943.84</u> | <u>17,204.74</u> |
| UNSECURED LOANS : | | |
| Dealers' Security Deposits 300,000 (Previous year Nil) 0% Unsecured Optionally Convertible Redeemable Debentures (OCDs) of Rs. 100 each (Refer Note B15) | 5.60 | 5.60 |
| | <u>300.00</u> | - |
| | <u>17,249.44</u> | <u>17,210.34</u> |

SCHEDULE 4- FIXED ASSETS

| P A R T I C U L A R S | COST/VALUE | | | | DEPRECIATION | | NET BLOCK | |
|--|---------------------------|---------------|--------------|---------------------------|-----------------|-----------------|---------------------------|---------------------------|
| | As at 31st March, 2009 | Additions | Deductions | As at 31st March, 2010 | For the Year | To Date | As at 31st March, 2010 | As at 31st March, 2009 |
| | | | | | | | | |
| Land | 1,716.67 | 11.66 | - | 1,728.33 | - | - | 1,728.33 | 1,716.67 |
| Lease Hold Land | 511.20 | - | 5.80* | 505.40 | - | - | 505.40 | 511.20 |
| Buildings | 9,215.02 | 4.75 | - | 9,219.77 | 153.32 | 581.19 | 8,638.58 | 8,787.15 |
| Plant & Machinery | 8,861.97 | 572.93 | 10.88 | 9,424.02 | 585.66 | 2,774.23 | 6,649.79 | 6,662.54 |
| Electrical Installation and Equipments | 35.89 | 0.34 | - | 36.23 | 0.02 | 35.90 | 0.33 | - |
| Furniture, Fixture and Appliances | 814.66 | 13.79 | - | 828.45 | 45.11 | 238.93 | 589.52 | 620.84 |
| Intangibles Assets | 217.81 | 57.96 | - | 275.77 | 59.28 | 117.12 | 158.65 | 159.97 |
| Vehicles | 98.97 | 31.27 | 25.79 | 104.45 | 10.00 | 19.88 | 84.57 | 82.34 |
| T O T A L | 21,472.19 | 692.70 | 42.47 | 22,122.42 | 853.39 | 3,767.25 | 18,355.17 | 18,540.71 |

* Rs 5.80 Lacs represents proportionate lease premium written off .

SCHEDULE 5- INVESTMENTS (AT COST)

| | As at 31st March, 2010 Rs.Lacs | As at 31st March, 2009 Rs.Lacs |
|---|---|--------------------------------------|
| OTHER SHARES | | |
| UNQUOTED | | |
| Cochin Co-operative Hospital Society 1 Share of Rs.10000/- each fully paid | 0.10 | 0.10 |
| Premier Tyres Employees' Co-operative Stores 10 Shares of Rs.100/- each fully paid | 0.01 | 0.01 |
| | <u>0.11</u> | <u>0.11</u> |

SCHEDULE 6- CURRENT ASSETS, LOANS AND ADVANCES

| | As at 31st March, 2010 Rs.Lacs | As at 31st March, 2009 Rs.Lacs |
|---|--------------------------------------|--------------------------------------|
| CURRENT ASSETS, LOANS AND ADVANCES | | |
| INVENTORY : | | |
| (as valued and certified by management) | | |
| Medical Consumables & Pharmacy Items | 495.23 | 319.66 |
| Fuel & General Items | 12.39 | 22.00 |
| Stores and Spares | 6.48 | 17.66 |
| | <u>514.10</u> | <u>359.32</u> |
| SUNDRY DEBTORS : | | |
| Debts outstanding for a period exceeding six months | | |
| Unsecured, considered good | 45.92 | 61.32 |
| Considered Doubtful | 58.22 | 139.80 |
| Other debts | | |
| Unsecured, considered good | 905.21 | 545.04 |
| Considered Doubtful | - | 8.65 |
| | <u>1,009.35</u> | <u>754.81</u> |
| Less : Provisions for Doubtful Debts | (58.22) | (148.45) |
| | <u>951.13</u> | <u>606.36</u> |
| CASH AND BANK BALANCES : | | |
| Cash in hand | 24.80 | 14.08 |
| WITH SCHEDULED BANKS | | |
| Current Accounts | 206.20 | 576.84 |
| Deposit Accounts | 1,200.29 | 663.51 |
| Dividend Account | 22.08 | 10.28 |
| | <u>1,453.37</u> | <u>1,264.71</u> |
| LOAN AND ADVANCES : | | |
| (Unsecured, Considered Good) | | |
| Advances recoverable in cash or in kind or for value to be received | 409.11 | 408.91 |
| Advance Income Tax | 3,453.43 | 2,663.25 |
| Less: Provision for Taxation | <u>2,916.27</u> | <u>2,247.37</u> |
| | 537.16 | 415.88 |
| Current balances with Customs, Central Excise, Municipal and Sales Tax | | |
| Considered good | 1.65 | 1.57 |
| Considered doubtful | - | 23.24 |
| Less: Provision for Doubtful Advances | - | (23.24) |
| | <u>1.65</u> | <u>1.57</u> |
| | <u>947.92</u> | <u>826.36</u> |
| | <u>3,866.52</u> | <u>3,056.75</u> |

SCHEDULE 7 - CURRENT LIABILITIES AND PROVISIONS

| | As at 31st March, 2010 Rs.Lacs | As at 31st March, 2009 Rs.Lacs |
|--|--------------------------------------|--------------------------------------|
| CURRENT LIABILITIES : | | |
| Sundry creditors | | |
| (a) Outstanding dues of Micro, medium & small enterprises | - | - |
| (b) Outstanding dues of creditors other than Micro, medium & small enterprises | 1,629.69 | 1,405.58 |
| Unpaid Dividend | 22.08 | 10.28 |
| Other Liabilities | 3,633.78 | 3,538.52 |
| | <u>5,285.55</u> | <u>4,954.38</u> |
| PROVISIONS : | | |
| For Proposed Dividend | 330.94 | 264.75 |
| For Dividend Tax | 54.96 | 44.99 |
| For Gratuity | 954.68 | 927.92 |
| For Leave Encashment | 149.78 | 145.68 |
| | <u>1,490.36</u> | <u>1,383.34</u> |
| | <u>6,775.91</u> | <u>6,337.72</u> |

SCHEDULE 8 - OTHER INCOME

| | As at 31st March, 2010 Rs.Lacs | As at 31st March, 2009 Rs.Lacs |
|---|--------------------------------------|--------------------------------------|
| Sundry Sales and Miscellaneous Income | 93.60 | 66.78 |
| Income from Lease/Services | 2,500.00 | 2,500.00 |
| Profit on sale of assets | 8.60 | - |
| Interest Received | 50.03 | 46.60 |
| Provision no longer required /Irrevocable Amounts | - | 3.29 |
| Income From Investment | 15.03 | - |
| | <u>2,667.26</u> | <u>2,616.67</u> |

SCHEDULE 9 - MANUFACTURING & OTHER EXPENSES

| | Year ended 31st March, 2010 Rs. Lacs | Year ended 31st March, 2009 Rs. Lacs |
|--|--|--|
| EMPLOYEES : | | |
| Salaries, Wages and Bonus * | 4,214.70 | 3,346.49 |
| Contribution to Provident and Other Funds | 244.03 | 190.58 |
| Welfare Expenses | 121.73 | 111.46 |
| Gratuity | 165.69 | 169.81 |
| Leave Encashment | 29.44 | - |
| MANUFACTURING, ADMINISTRATIVE AND SELLING : | | |
| Power and Fuel Consumption | 1,327.31 | 1,256.17 |
| Stores Consumed | 11.18 | - |
| Consumption of Medical Consumables & Pharmacy Items | 3,519.19 | 2,402.38 |
| Professional & Consultation Fees | 3,009.34 | 2,133.47 |
| Advertisement | 99.13 | 193.10 |
| Rent | 82.24 | 25.22 |
| Rates and Taxes | 87.83 | 13.53 |
| Insurance | 58.49 | 55.78 |
| Travelling and Conveyance Expenses | 118.33 | 121.89 |
| Directors' Fee | 9.00 | 8.00 |
| Payment to Statutory Auditors | 9.57 | 9.24 |
| Legal and Professional Charges | 150.32 | 195.50 |
| Patient catering expenses | 189.87 | 106.56 |
| Facility Maintenance Expenses | 425.44 | 346.46 |
| Commission | 282.19 | 53.68 |
| Outsources lab tests charges | 120.73 | 64.59 |
| Printing, Stationery, Postage, Telegram & Telephone etc. | 158.98 | 112.28 |
| Repair and Maintenance | | |
| - Plant & Machinery | 247.77 | 15.49 |
| - Buildings | 1.44 | 6.05 |
| - Others | 79.57 | 85.69 |
| Loss on Sale of Asset | 15.24 | 9.69 |
| Reimbursement towards ATL Facilities | 34.45 | 32.19 |
| Lease premium of Lease hold Land written off | 5.80 | 5.80 |
| Bad Debts | 185.09 | 72.75 |
| Less : Set off against provision | (139.80) | 45.29 |
| Provision for doubtful debts | 54.37 | 8.65 |
| Doubtful advances written off | 23.24 | |
| Less : Set off against provisions | (23.24) | - |
| Foreign exchange fluctuation | - | 17.27 |
| Miscellaneous Expenses | 165.80 | 109.76 |
| | 15,084.46 | 11,279.53 |
| Less: Reimbursement of Expenses from Apollo Tyres Ltd. | 3,514.00 | 2,952.95 |
| | <u>11,570.46</u> | <u>8,326.58</u> |

SCHEDULE 10- SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES

1. Basis of preparation:

The financial statements have been prepared to comply in all material respects with the notified Accounting Standard by Companies Accounting Standards Rules, 2006 and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Company and except for the changes in accounting policy discussed more fully below, are consistent with those used in the previous year.

2. Use of Estimate:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

3. Basis of Consolidation:

The consolidated financial statements comprise the financial statements of PTL Enterprises Ltd. and the following Companies:

| Name of the Company | Relationship | Country of Incorporation | Proportion of Ownership 31.03.2010 | Proportion of Ownership 31.03.2009 |
|---|----------------------|--------------------------|------------------------------------|------------------------------------|
| Artemis Health Sciences Ltd. | Subsidiary | India | 81.37% | 90.91% |
| Artemis Medicare Services Ltd. | Step Down Subsidiary | India | 81.37% | 90.91% |
| Artemis Life Sciences Pvt. Ltd. | Step Down Subsidiary | India | 81.37% | 90.91% |
| Artemis Mediequipments Pvt. Ltd. | Step Down Subsidiary | India | 81.37% | 90.91% |
| Artemis Medical Institute & Hospitals Pvt. Ltd. | Step Down Subsidiary | India | 81.37% | 90.91% |

The financial statements are prepared in accordance with the principles and procedures for the preparation and presentation of consolidated financial statements as laid down in Accounting Standard (AS) 21 "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.

Consolidated financial statements are prepared using uniform accounting policies.

The excess of cost to the Parent Company of its investment in subsidiaries over its portion of equity in the subsidiary at the date on which investment was made is recognised in the financial statements as goodwill. The parent company's portion of equity in the subsidiary is determined on the basis of the book value of assets and liabilities as per the financial statements of the subsidiary on the effective date of investment.

The amount shown in respect of reserves comprises the amount of the relevant reserve as per the balance sheet of the Parent Company plus its share in the post-acquisition movement of the profits of the subsidiary.

4. Fixed Assets:

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Leasehold Land is amortised over the period of lease proportionately.

5. Intangibles:

Software is stated at cost of acquisition and includes all attributable costs of bringing the software to its working condition for its intended use. Cost of Softwares is amortized over a period of six years, being the estimated useful life as per the management estimate.

6. Borrowing Costs:

Borrowing Costs are capitalized as a part of qualifying asset when it results in future economic benefits. Other borrowing costs are expensed.

7. Impairment of Assets:

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

8. Investments:

Investments are stated at Cost and provision for diminution is made if the decline in the value is other than temporary in nature.

9. Inventory Valuation:

Inventories are valued at lower of cost and net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

10. Depreciation:

Depreciation on fixed assets is provided on the straight-line basis at the rates specified in Schedule XIV of the Companies Act, 1956, classifying certain plant and machinery as continuous process plant.

11. Revenue recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Income from Operations

Income from operations is recognised as and when the services are rendered/pharmacy items are sold.

Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Income from Nursing Hostel

Revenue is recognised as per contractual arrangement with nursing staff using the hostel facilities.

12. Foreign currency transactions:**(i) Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

(iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise except those arising from investments in non-integral operations. Exchange differences arising in respect of fixed assets acquired from outside India on or before accounting period commencing after December 7, 2006 are capitalised as a part of fixed asset.

13. Employee Benefits:

- Liability for gratuity to employees determined on the basis of actuarial valuation as on balance sheet date.
- Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.
- Contributions to defined contribution schemes such as provident fund, employees pension fund and cost of other benefits are recognised as an expense in the year incurred.
- Actuarial gains and losses arising from experience adjustments and effects of changes in actuarial assumptions are immediately recognised in the Profit & Loss Account as income or expense.

14. Taxes on Income:

Tax expense comprises of current, deferred and fringe benefit tax. Current income tax and fringe benefit tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Unrecognised deferred tax assets of earlier years are re-assessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realised.

15. Expenditure on New Projects:

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalised as part of the indirect construction cost to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the Profit and Loss Account. Income earned during construction period is deducted from the total of the indirect expenditure.

16. Provisions :

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value, except gratuity and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

17. Reimbursement of Expenses:

The manufacturing and operating expenses of the company reimbursed by M/s Apollo Tyres Ltd. in terms of operating lease are deducted from the total expenses and only net expenses are taken to Profit & Loss Account.

B . NOTES ON ACCOUNTS**1. Contingent Liabilities**

| Particulars | Amount (Rs. Lacs) 2009-10 | Amount (Rs. Lacs) 2008-09 |
|--------------------|------------------------------|------------------------------|
| Sales Tax | 137.56 | 137.56 |
| Income Tax | 254.17 | 211.94 |
| Employee Liability | 1.44 | 1.44 |

2. Capital Commitment

The estimated amount of contracts remaining to be executed on capital account (net of advances) as at March 31, 2010 is Rs. 67.56 Lacs (Previous year Rs. 31.06 Lacs).

3. The minority interest reflects the share of minority in the equity of the subsidiary after adjusting the minority's share in the profit/losses incurred by the subsidiary to date.

4. Goodwill has increased by Rs. 945.69 Lacs on account of transfer, by way of gift, of 15,75,500 shares held by the company in its subsidiary "Artemis Health Sciences Pvt Ltd ", to CEO of its healthcare business towards his contribution in developing health care business as part of growth and expansion plans of the subsidiary .

5. Taxes on Income

a). A deferred tax assets (Net) amounting to Rs 10.49 Lacs has been recognised in the accounts for the year in accordance with the Accounting Standard "Accounting for taxes on Income" (AS 22). The deferred tax asset in respect of gratuity and leave encashment liability has been recognised during the year in view of the sustained profitability and regular tax payouts.

b). The Components of Net Deferred Tax (Assets)/Liability as on 31 st March 2010 are as under:

(Rs. Lacs)

| PARTICULARS | 31 st March, 2010 | 31 st March, 2009 |
|---|------------------------------|------------------------------|
| a) Deferred Tax Liability on timing difference arising on Depreciation | 10.63 | 26.05 |
| b) Deferred Tax Assets on timing difference arising on provision for Gratuity & Leave encashment Liability/Depreciation | (330.79) | (335.72) |
| Net Deferred Tax | (320.16) | (309.67) |

6. The Company had taken 20.78 acres of land on 90 years lease w.e.f. 24.05.2007 at a premium of Rs 519.50 lacs and the premium with other capitalised cost is amortized over a period of 90 years. Monthly lease rental, lighting expenses, water charges etc are debited as revenue expenditure.

7. The Subsidiary has taken two guest houses under operating lease. The minimum lease taken for the aforesaid premises is 24 months which is renewable with mutual consent on mutually agreed term. The same is cancellable at the option of the lessee.

8. The Company has given its plant, on operating lease, to Apollo Tyres Ltd. for a period of eight years w.e.f. 01.04.2006, which is renewable at a rate to be mutually agreed. The lease rent amounting to Rs 2,500 Lacs received for the year as per the lease agreement, has been credited to Profit & Loss Account..
9. The subsidiary has leased out some portion of hospital premises for a period of 1 to 2 years. The rentals are fixed as well as based on a certain percentage of net sales of the lessee from the leased premises.
10. Some of the Sundry Creditors and unsecured loans are subject to confirmation.
11. As per information available with the company
- (a) Amount due to Micro, Medium & Small Enterprises - Nil
- (b) Amount due to Investor Education & Protection Fund- Nil
- (c) Amount due to Labour welfare Fund - Nil

12. Particulars of Unhedged Foreign Currency Exposure as at the Balance Sheet date

| Particulars | Value |
|------------------|---|
| Import Creditors | NIL (Previous Year Rs. 5.42 Lacs) (EURO 8,031 @ closing rate of 1EURO=Rs. 67.48) |
| Import Creditors | NIL (Previous Year Rs. 92.19 Lacs) (USD 180,950 @ closing rate of 1USD= Rs.50.95) |

13. Earnings Per Share (EPS)

The Numerator and denominator used to calculate Basic and Diluted Earnings per share:

| | For the Year Ended 31 st March, 2010 | For the Year ended 31 st March, 2009 |
|--|---|---|
| Profit attributable to Equity Share Holders (Rs lacs) –A | 371.91 | (1146.20) |
| Basic number of Equity Shares Outstanding during the year-B | 6,61,88,500 | 6,61,88.500 |
| Basic /Diluted Earnings Per Share of Rs 2/- (Previous year Rs 2/-) (A/B) | 0.56 | (1.73) |

14. Deferred payment Liabilities

In previous year, the Company has purchased a medical equipment called Position Emission Tomography CT (PET CT) from Philips Electronics India Limited for Rs. 94,000,000 on deferred payment basis i.e. as per the terms of the arrangement, the amount is payable after 48 months of the successful delivery and commissioning of the machine at site. The same was commissioned on 16th July'07. For the purpose, a Letter of Credit of the same amount has been opened in the favour of the vendor with State Bank of India. The Company has pledged a fixed deposit in favour of the bank as a security against the said Letter of Credit

15. Issue of 0% Optionally Convertible Unsecured Redeemable Debenture (OCDs)

During the year, the Company has issued 300,000 0% Optionally Convertible Unsecured Redeemable Debentures (OCDs) with face value of Rs. 100 each. The OCDs do not carry any interest. However, the debenture holders have an option to convert the OCDs into equity share of the Company of the face value

of Rs 10 each to the extent of outstanding amount. Such option may be exercised before the due date of redemption but not before the expiry of 3 years from the date of allotment i.e. September 17, 2009 by giving a 3 month prior notice. Conversion rate would be mutually agreed on the date of conversion based on the book value and retained earnings but shall not be less than Rs. 10 and a premium of Rs. 40.

The debentures will be redeemed in three instalments of Rs 35, 35 and 30 each at the end of the 5th, 6th and 7th year from the date of allotment of OCDs i.e. September 17, 2009, unless the conversion option is exercised.

No Debenture Redemption Reserve has been created pursuant to Section 117 C of the Companies Act, 1956 in view of inadequate profits of the subsidiary in the current year.

16. Segmental Reporting

a) Business Segments

The Health Care Segment consist the health care business under the subsidiaries of the company and the Lease of Plant segment consist the income from lease of Plant to Apollo Tyres Ltd.

Geographical Segments

The company has not identified any geographic segments.

- b) Segmental assets includes all operating assets used by respective segment and consists principally of operating cash, debtors, inventories and fixed assets net of allowances and provisions. Segmental liabilities include all operating liabilities and consist primarily of creditors and accrued liabilities. Segment assets and liabilities do not include income tax assets and liabilities.

Information about Primary Segment

| Particulars | Health Care | | Lease of Plant | | Other Corp | | Total | |
|-----------------------------|-------------------|-------------------|-----------------|-----------------|-----------------|-----------------|------------------|-------------------|
| | 2009-2010 | 2008-2009 | 2009-2010 | 2008-2009 | 2009-2010 | 2008-2009 | 2009-2010 | 2008-2009 |
| 1. REVENUE | | | | | | | | |
| Income from | | | | | | | | |
| Operation/other income | 12,667.71 | 7,877.69 | 2,500.00 | 2,500.00 | 227.68 | 176.07 | 15,395.39 | 10,553.76 |
| Inter segment revenue | - | - | - | - | (203.98) | (172.71) | (203.98) | (172.71) |
| Total Revenue | 12,667.71 | 7,877.69 | 2,500.00 | 2,500.00 | 23.70 | 3.36 | 15,191.41 | 10,381.05 |
| 2. RESULT | | | | | | | | |
| Segment result | 170.51 | (1,237.90) | 2,554.26 | 2,482.25 | (7.24) | (34.78) | 2,717.53 | 1,209.57 |
| Interest Expense | (1,250.68) | (1,303.09) | (30.94) | (38.84) | (615.32) | (714.95) | (1,896.94) | (2,056.88) |
| Interest & Dividend income | 50.03 | 46.60 | - | - | - | - | 50.03 | 46.60 |
| Income Taxes | (1.77) | (26.54) | (658.41) | (579.04) | - | - | (660.18) | (605.58) |
| Net profit | (1,031.91) | (2,520.93) | 1,864.91 | 1,864.37 | (622.56) | (749.73) | 210.44 | (1,406.29) |
| 3. OTHER INFORMATION | | | | | | | | |
| Segment assets | 20,954.90 | 20,490.49 | 1,064.27 | 1,357.31 | 574.70 | 455.02 | 22,593.87 | 22,302.82 |
| Segment liabilities | 15,578.00 | 14,767.00 | 4,027.00 | 4,080.20 | 4,654.29 | 5,021.45 | 24,259.29 | 23,868.65 |
| Capital Expenditure | 283.68 | 799.90 | (8.64) | 91.17 | - | - | 275.04 | 891.07 |
| Depreciation | 838.75 | 782.32 | 14.64 | 15.98 | - | - | 853.39 | 798.30 |

17. The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service receives gratuity on leaving the Company at 15 days salary (last drawn salary) for each completed year of service.

The following table summaries the components of net benefit expense recognised in the Profit and Loss Account and amounts recognised in the Balance Sheet. (Net of reimbursement from Apollo Tyres Ltd.)

Profit & Loss Account

| Employee benefit expenses (recognised in employees cost) | | (Rs. Lacs) |
|---|---------------------|-------------------|
| Particulars | 2009-10 | 2008-09 |
| Current Service Cost | 53.96 | 55.67 |
| Interest Cost | 74.19 | 70.36 |
| Net Actuarial Loss | (101.39) | (77.64) |
| Benefit Paid | 138.93 | 121.43 |
| Benefit Reimbursed | (138.93) | (121.43) |
| | <u>26.76</u> | <u>48.39</u> |

Balance Sheet

| Details of Provision For Gratuity | | (Rs. Lacs) |
|---|-----------------|-------------------|
| Particulars | 2009-10 | 2008-09 |
| Defined benefit obligation (As on 31.03.2010) | 954.68 | 927.92 |
| Net Asset/(Liability) recognized | (954.68) | (927.92) |

| Changes in the present value of the defined benefit obligation are as follows: | | (Rs. Lacs) |
|---|----------------------|-------------------|
| Particulars | 2009-10 | 2008-09 |
| Present value of obligations as at the beginning of the year | 927.92 | 879.53 |
| Interest cost | 74.19 | 45.40 |
| Current Service Cost | 53.96 | 80.63 |
| Actuarial Loss on obligation | (101.39) | (77.64) |
| Benefit Paid | 138.93 | 121.43 |
| Benefit Reimbursed | (138.93) | (121.43) |
| Present value of obligations as at the end of the years | <u>954.68</u> | <u>927.92</u> |

Principal actuarial assumptions

| Particulars | Rate (%) |
|--|-----------------|
| a) Discount rate as on 31.03.2010 (Parent Company) | 8.00 |
| b) Discount rate as on 31.03.2010 (Subsidiary Company) | 7.50 |
| c) Future salary increase (Parent Company) | 4.00 |
| d) Future salary increase (Subsidiary Company) | 6.50 |

The estimate of future salary increase takes into account inflation, seniority, promotions and other relevant factors.

18. Disclosure of the relationship and transactions in accordance with Accounting Standard 18- Related Party Disclosures issued by the Institute of chartered Accountants of India.

| Particulars | 2009-10 | 2008-09 |
|-------------------|---|--|
| Associates | Apollo Tyres Ltd. (ATL) | Apollo Tyres Ltd. (ATL) |
| | Apollo International Ltd . | Apollo International Ltd . |
| | Neeraj Consultants Ltd. | Neeraj Consultants Ltd. |
| | Sunrays Properties & Investments Co. Pvt. Ltd. | Sunrays Properties & Investments Co. Pvt. Ltd. |
| | Sacred Heart Investments Co Pvt. Ltd. | Sacred Heart Investments Co Pvt. Ltd. |
| | Motlay Finance Pvt. Ltd. | Motlay Finance Pvt. Ltd. |
| | Ganga Kaveri Credit & Holding Pvt. Ltd. | Ganga Kaveri Credit & Holding Pvt. Ltd. |
| | Global Capital Ltd. | Global Capital Ltd. |
| | Indus valley Investment & Finance Pvt. Ltd. | Indus valley Investment & Finance Pvt. Ltd. |
| | Apollo Finance Ltd. | Apollo Finance Ltd. |
| | Sargam Consultants Pvt. Ltd. | Sargam Consultants Pvt. Ltd. |
| | Kenstar Investment & Finance Pvt. Ltd. | Kenstar Investment & Finance Pvt. Ltd. |

**Volume of Transactions
2009-10**

(Rs. Lacs)

| Particulars | Associates | Total |
|---|------------------|------------------|
| Lease income of Factory from ATL | 2500.00 | 2500.00 |
| Interest Paid ATL | 30.94 | 30.94 |
| Reimbursement of Expenses received from ATL (including sale of spares at cost 11.18 Lakhs) | 3514.00 | 3514.00 |
| Reimbursement towards utilization of Computer and other ATL Facilities (net) paid | 34.45 | 34.45 |
| Rent paid , ATL | 0.12 | 0.12 |
| Amount Outstanding Dr./ (Cr.) | | |
| Apollo Tyres Ltd | (2671.99) | (2671.99) |

**Volume of Transactions
2008-09**

(Rs. Lacs)

| Particulars | Associates | Total |
|---|------------|-----------|
| Lease income of Factory, ATL | 2500.00 | 2500.00 |
| Interest Paid ATL | 38.85 | 38.85 |
| Reimbursement of Expenses received | 2952.95 | 2952.95 |
| Reimbursement towards utilization of Computer and other ATL Facilities (net) paid | 32.19 | 32.19 |
| Rent paid,ATL | 0.12 | 0.12 |
| Amount Outstanding Dr./ (Cr.) | | |
| Apollo Tyres Ltd | (2896.70) | (2896.70) |

19. Previous years figures are given in brackets.
20. Previous period's figures have been regrouped/ reclassified where necessary to conform to current period's classification.

Signature to schedule "1 to 10"

As per our attached Report of even date.

**FOR AND ON BEHALF OF
H.N. MEHTA ASSOCIATES**

Chartered Accountants

KIRAN PANCHOLI
PartnerGurgaon
28th May, 2010ONKAR S KANWAR
ChairmanPRADEEP KUMAR
Company SecretaryA N LAKSHMANAN
Chief Financial OfficerNEERAJ KANWAR
HARISH BAHADUR
K. JACOB THOMAS
PALLAVI SHROFF
T. BALAKRISHNAN
U.S. ANAND
U.S. OBEROI
Directors

Information pertaining to Subsidiary Companies u/s 212 (8) of the Companies Act, 1956

| Contents | Rs. Lacs | | | | |
|---|------------------------------|--------------------------------|----------------------------------|---------------------------------|---|
| | ARTEMIS HEALTH SCIENCES LTD. | ARTEMIS MEDICARE SERVICES LTD. | ARTEMIS MEDIEQUIPMENTS PVT. LTD. | ARTEMIS LIFE SCIENCES PVT. LTD. | ARTEMIS MEDICAL INSTITUTE & HOSPITALS PRIVATE LIMITED |
| Share Capital | 1,679.80 | 1,801.00 | 1.00 | 1.00 | 1.00 |
| Reserves | 7,478.60 | 121.60 | (1.90) | (1.90) | (2.25) |
| Total Assets | 9,180.14 | 25,399.72 | 1.83 | 1.83 | 2.18 |
| Total Liabilities | 9,180.14 | 25,399.72 | 1.83 | 1.83 | 2.18 |
| Detail of Investments (other than investment in subsidiary companies) | - | - | - | - | - |
| Turnover (including other income) | - | 12,667.71 | - | - | - |
| Profit / (Loss) Before Taxation | (1.10) | (1,027.20) | (0.51) | (0.51) | (0.51) |
| Provision for Taxation | - | 1.77 | - | - | - |
| Profit / (Loss) after taxation | (1.10) | (1,028.97) | (0.51) | (0.51) | (0.51) |
| Proposed dividend | - | - | - | - | - |

PTL ENTERPRISES LIMITED

ATTENDANCE SLIP

| | |
|--|--------------------|
| FOLIO NO. OR CLIENT ID NO. / DP ID NO. | NO. OF SHARES HELD |
| _____ | _____ |

I hereby record my presence at the 49th Annual General Meeting of the Company at Willingdon Hall, Taj Malabar, Willingdon Island, Kochi – 682 003 on Wednesday, 28th July, 2010 at 2:30 P.M.

Signature of the Shareholder/Proxy Present

1. Please hand over the attendance slip at the entrance of the meeting venue.
2. This attendance is valid only in case shares are held on the date of meeting.

----- Cut here -----

PTL ENTERPRISES LIMITED

Regd. Office: 6th Floor, Cherupushpam Building, Shanmugham Road, Kochi-682 031 (Kerala)

I/We

of being a member/members of

PTL Enterprises Limited hereby appoint of

..... or failing him/her of

..... as my/our proxy to attend and vote for me/us and on my/our behalf at 49th Annual General Meeting of the Company to be held on Wednesday, 28th July, 2010 at 2:30 P.M.

Signed this day of 2010

Signature (s)

| | |
|---------------|--|
| Folio No. | |
| DP ID No. | |
| Client ID No. | |

| |
|---------------|
| Affix |
| Revenue Stamp |

Note : The form duly completed and signed should be deposited at the Registered office of the company at least 48 hours before the time of the meeting. The proxy need not be a member of the company.