

“ guardians of health and well-being ”



THE APOLLO WAY

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“We are not tinkers who merely patch and mend what is broken; we must be watchmen, guardians of the life and health of our generation, so that stronger and more able generations may come after”*

guardians of health and well-being

We could not have said it better ourselves. The words of Dr Blackwell, the first woman to receive a medical degree in the USA and the first woman on the UK medical register, aptly describe our mission- to touch lives with a passion for well-being so as to make ‘every patient interaction clinically and emotionally wonderful’. At Indraprastha Apollo Hospitals we value life as we believe it is priceless and we aim to “bring dignity to Health Disaster” by preventing, diagnosing, and treating symptoms and disease that compromise a person’s total wellness.

Non-Communicable Diseases or NCDs, otherwise known as chronic diseases, chief among which are cardiovascular diseases, cancers, respiratory diseases, kidney diseases, hypertension, and diabetes, are often long duration, and generally slow progressing conditions. India’s burden of NCDs is daunting. The country accounts for nearly 1/5th of global NCD mortality, a remarkably high proportion, which poses a substantial threat to her socio-economic development. “A nation that is healthy will be prosperous.” At Apollo Hospitals, we deem it our responsibility to guard the health and well-being of current and future generations of India. While we know that addressing NCDs is a complex and difficult task requiring multifaceted solutions, we believe we have to start by influencing a behavior and mindset change among individuals-one that will inspire in them, a culture of health and wellness; where they will see healthy living as an investment. Global experience shows that interventions aimed at prevention and early diagnosis, offer the highest chance of reduction in morbidity and mortality.

We therefore put ourselves at the cutting edge of innovation in healthcare service delivery to guard the nation’s health. We harness the latest technology. And we bring together the best minds in medicine within a world class environment to find cures that can end a person’s suffering, be it through a procedure, surgery, or change in lifestyle. Whether through our clinics, birthing centres or pharmacies, be it via Personalized Health Checks, tele-medicine, or eDocs, we put the patient at the core to give them what they need to stay healthy. That is our hallmark. That is the Apollo Way.

**Dr Elizabeth Blackwell, 1821-1910*

MESSAGE



Dear Shareholders,

We stay committed to our determination that our hospital will offer to fellow countrymen, high quality healthcare at affordable prices right here in India. Healthcare that is comparable to the best available in the West. I can say with satisfaction that we pursue that goal on an on-going manner and have stayed focused on accomplishing that mission in very many ways - like leveraging new strides in medical technology, enhancing our processes and protocols, sustaining our clinical excellence through stringent quality norms and procedures, ensuring the highest standards of patient safety, pursuing outcomes that surpass the best in the world, and most importantly, putting our patient at the core of our operations and providing them our hallmark tender loving care - all in the signature Apollo Way.

In a country like India where a large proportion of the population lives in rural towns and villages, innovation in healthcare delivery is critical. I have always said that the human body is priceless; that it is important to keep one's body healthy and pursue wellness in everyday life. In recent years, Non-Communicable Diseases have fast become a roadblock to wellness. This is India's biggest healthcare burden, and if neglected, can overwhelm the general population and become a severe threat to the country's productivity and socio-economic progress. As India's leading health services provider, we believe we have a responsibility in fighting this menace. We have already differentiated ourselves at every touch point of the Patient Care cycle. We now want to revolutionize the healthcare eco-system through newer ways of reaching India's masses in order to put them on the road to wellness. We want to create and implement a strong digital strategy to enhance patient outreach and access, customer experience and loyalty. We want to deploy high-tech equipment to further improve outcomes while enabling patients to recover faster, thereby cutting short their stay in the hospital. We also want to strengthen consultant engagement, focus on specialty forays and achieve distinction through advanced medical treatments.

Moving forward with the conviction that our efforts at innovation, clinical expertise, medical excellence and tender loving care are not just restricted to treating a particular symptom, disease or patient but rather to holistically improving the overall health quotient of our patients, we are continuing our thrust on super specialty treatment within our various centers

of excellence. We have also ventured into stand-alone specialty hospitals like CRADLE and specialty clinics like Apollo Dental and Spectra. These initiatives exemplify our Mission and our commitment to provide the best possible healthcare to put people on the road to recovery. In India, the healthcare industry is undergoing a revolutionary change mainly due to rising income levels, increasing awareness about lifestyle diseases, changing attitude from prescriptive to preventive healthcare, growing insurance market and increasing government spending on healthcare. We aim to serve the people's need in all areas of wellness.

I would like to share with you my joy and pride in Indraprastha Apollo Hospitals, New Delhi, being ranked #2 in the All India Critical Care Hospital Ranking Survey 2016, conducted by The Times of India. Indraprastha Apollo Hospitals, Delhi was also ranked as the sixth best multi-specialty hospital in the country in The Best Hospital Survey 2016, conducted by THE WEEK in association with Nielsen India.

In on-going commitment to Patient Safety, we organized a conference of the Apollo Clinical Excellence Program (ACEP) partner hospitals at Indraprastha Apollo Hospitals which focused on enhancement of quality and patient safety. I am happy to tell you that more than 75 representatives of partner hospitals attended the conference and commended the initiative.

It was with the same commitment that the hospital also created a new Guinness World Record in the number of people engaged in an initiative supporting 'Clean Hands, Healing Hands' on Global Hand-Hygiene Day.

Your Company continues to strive to deliver better results not only clinically but also financially, as we are fully committed to our shareholders apart from our patients. In this regard, I am happy to state that the total income of the Company increased from Rs. 75,756.65 lakhs to Rs. 76,730.87 lakhs. The EPS for the year stood at Rs. 2.86 and the Board of Directors of the Company have recommended payment of dividend on equity shares @ Rs. 1.80 per share (18%) for the fiscal year 2016-17.

Our journey is not yet over. We have a long way to go to achieve our vision of bringing quality health care to India's rural masses. But I am confident that we have made a good start and our fundamentals are robust enough to deliver that goal.

I thank you all for the trust you have reposed in our hospitals and thank each and every stakeholder for their continued support in our journey.

I wish you and your families all the very best of health and wellness.

With warm personal regards,

Dr. Prathap C Reddy
Founder
Apollo Hospitals Group

CORPORATE INFORMATION

Vice Chairman	Dr. Prathap C. Reddy
Managing Director	Mr. Jaideep Gupta
Directors	<p>Dr. Arun Rai</p> <p>Dr. B. Venkataraman</p> <p>Mr. Deepak Vaidya</p> <p>Ms. Renu S. Karnad</p> <p>Mr. Satnam Arora</p> <p>Mr. S. N. Sahai</p> <p>Ms. Shobana Kamineni</p> <p>Mr. S. Regunathan</p> <p>Ms. Suneeta Reddy</p> <p>Mr. T. S. Narayanasami</p> <p>Mr. Vinayak Chatterjee</p> <p>Ms. Vineeta Rai</p> <p>Prof. V. N. Rajasekharan Pillai</p>
Vice President cum Company Secretary	Mr. Ajay Kumar Singhal
Chief Financial Officer	Mr. Chander Prakash Tyagi
Registered Office & Hospital Complex	Sarita Vihar, Delhi-Mathura Road New Delhi – 110 076
Hospital at Noida	Apollo Hospitals, E-2, Sector-26, Noida – 201 301
Auditors	M/s S. C. Vasudeva & Co. Chartered Accountants, New Delhi
Bankers	Oriental Bank of Commerce IndusInd Bank Limited ICICI Bank Limited

NOTICE TO THE MEMBERS

Notice is hereby given that the twenty-ninth Annual General Meeting of Members of Indraprastha Medical Corporation Limited will be held on Tuesday, 26th September, 2017, at 11.00 A.M. at Sirifort Auditorium, Siri Fort Cultural Complex, August Kranti Marg, New Delhi - 110 049, to transact the following business:

ORDINARY BUSINESS:

Item No. 1 - Adoption of financial statements.

To receive, consider and adopt the audited financial statements of the Company for the year ended 31st March, 2017, together with the Reports of the Board of Directors and Auditors thereon.

Item No. 2 - Declaration of Dividend

To declare a dividend on equity shares for the financial year ended 31st March, 2017.

Item No. 3 - Appointment of Director

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

Item No. 4 - Appointment of Director

To appoint a Director in place of Ms. Vineeta Rai (DIN 07013113), who retires by rotation and being eligible, offers herself for re-appointment.

Item No. 5 - Appointment of Auditors

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

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, (including any statutory modifications or re-enactment thereof, for the time being in force), M/s. S. N. Dhawan & Co. LLP, Chartered Accountants (ICAI Registration No. 000045N), be and is hereby appointed as Statutory Auditors of the Company in place of M/s S. C. Vasudeva & Co., Chartered Accountants ((ICAI Registration No. 000235N) the retiring Statutory Auditors, to hold office for a term of five years from the conclusion of the twenty-ninth Annual General Meeting till the conclusion of the thirty-fourth Annual General Meeting, subject to ratification of their appointment by the Members at every Annual General Meeting held after twenty-ninth Annual General Meeting of the Company, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.”

SPECIAL BUSINESS

Item No. 6

Re-Appointment of Mr. Jaideep Gupta as Managing Director

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

“RESOLVED THAT subject to the provisions of Section 196, 197, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof, for the time being in force), the Company hereby accords its approval for the re-appointment of Mr. Jaideep Gupta (DIN 02647974) as Managing Director of the Company for a period of one year from 30th April, 2017 to 29th April, 2018, on the terms and conditions as set out in the employment agreement including remuneration as given below

A. Salary

- a) Basic Salary Rs. 6,52,000/- (Rupees Six Lakh Fifty Two Thousand only) per month.
- b) Performance bonus as may be decided by the Board, for each financial year or part thereof, subject to a ceiling of 35% of the annual Basic Salary.

B. Perquisites & Allowances

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

- k) Leaves as per the rules of the Company. Leave accumulated but not availed of, can be encashed at the end of the tenure.
- l) Gratuity as per the rules of the Company.

C. Minimum Remuneration

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

Item No. 7

To approve the Remuneration of the Cost Auditors for the year ending 31st March, 2018.

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

"RESOLVED THAT pursuant to the provisions of Section 148 and its related and applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Devarajan Swaminathan and Co. - Cost Accountants, (Firm Registration No 100669), the Cost Auditors appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the year ending 31st March, 2018, at a remuneration of Rs. 5.50 lakhs plus taxes as applicable and reimbursement of out of pocket expenses, be and is hereby ratified and confirmed."

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

Ajay Kumar Singhal

Vice President cum Company Secretary
(FCS 1400)

Date: 28th July, 2017

Registered Office:

Sarita Vihar, Delhi-Mathura Road,
New Delhi - 110 076, India
CIN: L24232DL1988PLC030958

NOTES:

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

New Delhi - 110 076, not less than 48 hours before the commencement of the meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person or shareholder.

3. Corporate members intending to send their authorized representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution to attend and vote on their behalf at the Meeting.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided not less than three days notice in writing is given to the Company.
5. Members/Proxies should bring the duly filled in attendance slip enclosed herewith to attend the meeting.
6. The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, 16th September, 2017 to Tuesday, 26th September, 2017 (both days inclusive) for the purpose of payment of dividend for the financial year ended 31st March, 2017, and the Annual General Meeting.
7. Subject to the provisions of the Companies Act, 2013, dividend as recommended by the Board of Directors, if declared, at the meeting, will be paid to those members whose names appear :-
 - a) as Members on the Register of Members of the Company as on 26th September, 2017, after giving effect to all valid share transfers in physical form lodged with the Company up to the closing hours of business on 15th September, 2017, and
 - b) as Beneficial owners as per the Statement of Beneficial Ownership to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in respect of the shares held in dematerialized form as at the closing hours of business on 15th September, 2017.
8. Members desiring any information as regards the accounts are requested to write to the Company at least seven days before the meeting so as to enable the management to keep the information available.
9. Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013, and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, dividends which remain unclaimed in the unpaid dividend account for a period of seven years from the date of transfer of the same, will be transferred to the Investor Education

and Protection Fund established by the Central Government. Members who have not encashed their dividend warrant(s) so far for the financial year ended 2009-10 or any subsequent financial year, are requested to lodge their claims with the Company's Registrar and Share Transfer Agents, M/s. Link Intime India Pvt. Ltd., 44 Community Centre, 2nd floor, Naraina Industrial Area Phase I, Near PVR, Naraina, New Delhi - 110 028 or with the Company at Secretarial Department, Sarita Vihar, Delhi-Mathura Road, New Delhi - 110 076.

The Ministry of Corporate Affairs notified the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, on September 5, 2016 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2016 on 28 February, 2017 ("IEPF Rules") which are applicable to the Company. The objective of the IEPF Rules is to help shareholders ascertain the status of unclaimed amounts. In terms of the IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends as on the date of the last AGM i.e. 30th August, 2016, on the website of IEPF viz. www.iepf.gov.in and under "Investor Relations" section on the website of the Company.

The summary of the unpaid dividend for the past years and the dates on which the outstanding amount shall be transferred to Investor Education and Protection Fund are given in the table below.

Financial Year Ended	Date of Declaration of Dividend	Due Date for transfer to the IEP Fund
31/03/2010	10/09/2010	14/10/2017
31/03/2011	14/09/2011	18/10/2018
31/03/2012	14/09/2012	18/10/2019
31/03/2013	26/09/2013	30/10/2020
31/03/2014	30/09/2014	03/11/2021
31/03/2015	29/09/2015	02/11/2022
31/03/2016	30/08/2016	03/10/2023

As per the provisions of Section 124 of the Companies Act, 2013, shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. In accordance with the IEPF Rules, the Company has transferred all unpaid or unclaimed dividends for the financial years ended 31st March, 2001 to 31st March, 2009, to the Investor Education and Protection Fund (IEP Fund) of the Central Government.

The Company has sent out individual communication to the shareholders whose dividend remains unclaimed for seven years, and published an advertisement in newspapers, inviting such shareholders to claim their dividend.

The List of the Shareholders whose shares are liable to be transferred to IEPF Fund, has been uploaded under "Investor Relations" section on the website of the Company.

10. Members holding shares in physical form are requested to intimate the following directly to the Company's Registrar and Share Transfer Agents, M/s. Link Intime India Pvt. Ltd., 44 Community Centre, 2nd floor, Naraina Industrial Area Phase I, Near PVR, Naraina, New Delhi - 110 028 :-
 - (a) Bank Mandate with full particulars for remittance of dividend directly into their bank accounts, if declared at the meeting.
 - (b) Changes, if any, in their address at an early date.
 - (c) Application for consolidation of folios, if shareholdings are under multiple folios.
 - (d) Despatch of share certificates for consolidation.
 - (e) Request for nomination forms for making nominations as per the provisions of the Companies Act.
11. Members are requested to quote ledger folio numbers in all their correspondence.
12. Members holding shares in dematerialized form (electronic form) are requested to intimate any changes in their respective addresses, bank mandates etc., directly to their respective Depository Participants.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore, requested to submit the PAN details to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrars and Share Transfer Agents, M/s. Link Intime India Pvt. Ltd.
14. In accordance with Section 139 of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014, M/s. S. C. Vasudeva & Co. Chartered Accountants, Statutory Auditors of the Company, shall retire at the conclusion of the twenty-ninth Annual General Meeting of the Company. Pursuant to the provisions of Section 139 of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014, the Board of Directors, on the recommendation of the Audit Committee, recommended the appointment of M/s S. N. Dhawan & Co. LLP, Chartered Accountants (ICAI Registration No. 000045N), as the Statutory Auditors at the Annual General Meeting for a period of five years i.e. to hold office for a term of five years from the conclusion of the twenty-ninth Annual General Meeting till the conclusion of the thirty-fourth Annual General Meeting, subject to ratification of their appointment by the Members at every Annual General Meeting held after twenty-ninth Annual General Meeting of the Company, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.

Consent and certificate under Section 139 of the Companies Act, 2013, have been obtained from M/s S. N. Dhawan & Co. LLP, Chartered Accountants, to the effect that their appointment, if made, shall be in accordance with the applicable provisions of the Act and the Rules made thereunder.

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s S. N. Dhawan & Co. LLP, Chartered Accountants, has confirmed that they hold a valid certificate issued by the Peer Review Board of ICAI.

15. National Electronic Clearing Service (NECS) Facility:

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

Members holding shares in physical form who now wish to avail NECS facility, are requested to forward their NECS mandate in the prescribed form to the Company's Registrar and Share Transfer Agent, M/s. Link Intime India Pvt. Ltd.

16. Details under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) in respect of the Directors seeking appointment / re-appointment at the Annual General Meeting, forms an integral part of the notice. The Directors have furnished the requisite declarations for their appointment / re-appointment.

17. Electronic copies of the Annual Report for the year ended 31st March 2017, and electronic copy of the Notice of the twenty-ninth Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with the Attendance Slip and Proxy Form, are being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report and Notice of the twenty-ninth Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent in the permitted mode.

18. Members may also note that the Notice of the twenty-ninth Annual General Meeting and the Annual Report for 2016-17 will be also available on the Company's website www.apollohospdelhi.com. The physical copies of the aforesaid documents will be also available at the Company's Registered Office in New Delhi for inspection during the normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's email id: imclshares@apollohospitals.com.

19. Voting through electronic means

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of Listing Regulations and Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 23rd September, 2017 (9.00 am) and ends on 25th September, 2017 (5.00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 19th September, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participant(s)]:
 - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
Note: Shareholders already registered with NSDL for e-voting will not receive the pdf file; "remote e-voting.pdf".
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password. Click Login.

- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and to take utmost care to keep your password confidential.
- (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- (vii) Select "EVEN" of "Indraprastha Medical Corporation Limited".
- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to bskashtwal@yahoo.co.in with a copy marked to evoting@nsdl.co.in
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:
- (i) Initial password is being provided separately along with the Notice of AGM.
- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsd.com or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
Note: Shareholders who forgot the User Details/ Password can use "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on www.evoting.nsd.com.
In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).
In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No + Folio No).
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 19th September, 2017.
- X. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e.19th September, 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or swapann@linkintime.co.in.
However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you have forgotten your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsd.com or contact NSDL at the following toll free no.: 1800-222-990.
- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mr. Baldev Singh Kashtwal, Practicing Company Secretary (Membership No. - FCS 3616 & Certificate of Practice No. - 3169) has been appointed as the Scrutinizer to scrutinize the poll process and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of Ballot Paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than forty-eight hours from the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

XVI. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.apollohospdelhi.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the NSE and BSE Limited, Mumbai.

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

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

ITEM NO. 6

The term of Mr. Jaideep Gupta as Managing Director of the Company expired on 29th April, 2017.

Upon the recommendations of the Nomination and Remuneration Committee, the Board of Directors in the meeting held on 26th May, 2017, have re-appointed Mr. Jaideep Gupta as Managing Director of the Company for a further period of one year effective from 30th April, 2017.

Brief Profile of Mr. Jaideep Gupta is provided in section "Profile of Directors Seeking Appointment/Reappointment". The remuneration of Mr. Jaideep Gupta is as per the Remuneration Policy of the Company and has the approval of the Nomination and Remuneration Committees and is within the limit prescribed under Schedule V to the Companies Act, 2013.

Pursuant to the provisions of the Section 190 of the Companies Act, 2013, a copy of the "Employment Agreement" containing the terms and conditions of appointment including remuneration would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The re-appointment of and payment of remuneration to Mr. Jaideep Gupta as Managing Director requires the approval of the members in General Meeting of the Company.

Except Mr. Jaideep Gupta, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6.

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

ITEM NO. 7

The Board has re-appointed M/s Devarajan Swaminathan and Co., Cost Accountants (Firm Regn. No. 100669), as the Cost Auditors to conduct the audit of the cost records of the Company for the year ending 31st March, 2018, at a remuneration of Rs. 5.50 lakhs plus taxes as applicable and reimbursement of out of pocket expenses.

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

Accordingly, consent of the members is sought for passing an ordinary resolution as set out at Item No. 7 of the Notice for ratification of the remuneration payable to the cost auditors for the year ending 31st March, 2018.

None of the Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7.

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

PROFILE OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT

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

i. **Name** : **Ms. Renu S. Karnad**

Age : 63 years

Qualifications: Bachelor in Law, Masters in Economics

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

Terms and conditions of Appointment / Re-appointment: Non-Executive Director, liable to retire by rotation

Date of first appointment on the Board: 31-08-2005

Directorship held in other Public Companies as on 31st March, 2017

1. Housing Development Finance Corporation Limited
2. GRUH Finance Limited
3. HDFC Bank Limited
4. BOSCH Limited
5. EIH Limited
6. ABB India Limited
7. HDFC Asset Management Co. Ltd
8. HDFC ERGO General Insurance Company Limited
9. HDFC Standard Life Insurance Company Ltd.

Memberships / Chairmanship of Committees in other public companies as on 31st March, 2017:

BOSCH Limited :-

Audit Committee - Chairperson

Stakeholders Relationships Committee - Member

ABB India Limited :-

Audit Committee - Member

Stakeholders Relationships Committee - Member

HDFC Bank Limited :-

Stakeholders Relationships Committee - Member

HDFC Standard Life Insurance Company Ltd. :-

Audit Committee - Member

ii. Name : Ms. Vineeta Rai

Age : 72 years

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

Experience (including expertise in specific functional area) / Brief Resume: Ms. Vineeta Rai is a retired IAS Officer of 1968 Batch (AGMUT cadre). Ms. Vineeta Rai has extensive experience in Public Administration particularly in the fields of Health Administration and Finance with work experience in the Ministry of Health and Family Welfare, Government of India, as Secretary Banking, Insurance and Revenue in the Ministry of Finance (Government of India). She has served as Director on the boards of several Banks and Insurance Companies as also on Delhi Metro Railway Corporation and PGI (Chandigarh).

Terms and conditions of Appointment / Re-appointment: Non-Executive Director, liable to retire by rotation

Date of first appointment on the Board: 07-11-2014

Directorship held in other Public Companies as on 31st March, 2017: None

Memberships / Chairmanship of Committees in other public companies as on 31st March, 2017: None

iii. Name : Jaideep Gupta

Age : 53 years

Qualifications: B. Sc., PGDRM

Experience (including expertise in specific functional area) / Brief Resume: Mr. Jaideep Gupta has nearly three decades of experience in Hospital Management at senior management positions and a track record of setting up Hospitals and managing both green field and brown field projects, maintaining clinical quality, meeting JCI Accreditation Standards, ensuring efficient operations and reducing costs across numerous healthcare institutions in India as well as overseas. He has been associated with Apollo Hospitals Group since 1987. Prior to his appointment as Managing Director, he had been working as Chief Executive Officer of Indraprastha Apollo Hospitals, New Delhi and had been responsible for all aspects of Hospital Operations.

Terms and conditions of Appointment / Re-appointment: As per the resolution at item no. 6 of the Notice convening Annual General Meeting on 26th September, 2017, read with explanatory statement thereto.

Date of first appointment on the Board: 30-04-2009

Directorship held in other Public Companies as on 31st March, 2017: None

Memberships / Chairmanship of Committees in other public companies as on 31st March, 2017: None

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present their report and financial statements for the financial year ended 31st March 2017.

FINANCIAL SUMMARY

(Rs. In Lakhs)

Particulars	FY 2016-17	FY 2015-16
I. Revenue from Operations	76,571.61	75,544.88
II. Other Income	159.26	211.77
III. Total Income (I+II)	76,730.87	75,756.65
IV. EXPENSES		
Stores & Spares consumed	15,021.28	14,955.68
Employee benefits expense	19,025.70	18,155.79
Finance costs	790.54	742.49
Depreciation and amortization expense	3,053.21	3,532.51
Other expenses	34,758.38	34,495.58
Total expenses (IV)	72,649.11	71,882.05
V. Profit before exceptional items and tax (III-IV)	4,081.76	3,874.60
VI. Exceptional Items	-	-
VII. Profit/(loss) before tax (V-VI)	4,081.76	3,874.60
VIII. Tax expense:		
(1) Current tax	1,854.11	1,499.79
(2) Deferred tax	(396.88)	(68.45)
IX. Profit/(loss) for the year (VII-VIII)	2,624.53	2,443.26
X. Other Comprehensive Income		
(i) Items that will not be reclassified subsequently to profit or loss		
Re-measurement gains (losses) on defined benefit plans	106.15	(43.78)
Income Tax effect (Deferred Tax)	(36.74)	15.15
	69.41	(28.63)
XI. Total Comprehensive Income for the year (Comprising Profit (Loss) and Other Comprehensive Income for the year)	2,693.94	2,414.63

INDIAN ACCOUNTING STANDARDS (IND AS)

In accordance with the notification issued by the Ministry of Corporate Affairs (MCA), your Company is required to prepare financial statements under Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 with effect from 1st April 2016. Ind AS has replaced the existing Indian GAAP prescribed under section 133 of the Companies Act, 2013, read with rule 7 of Companies (Accounts) Rules, 2014. Accordingly the Company has adopted Indian Accounting Standard

("Ind AS") with effect from 1st April 2016 with the transition date of 1st April 2015 and the financial Statements for the year ended 31st March 2017 has been prepared in accordance with Ind AS. The financial statements for the year ended 31st March 2016 have been restated to comply with Ind AS to make them comparable.

TRANSFER TO RESERVES

The Company does not propose to transfer any amount to the General Reserve out of the amount available for appropriation in the current year. Rs. 100 lakhs was transferred to the General Reserve out of the amount available for appropriation during the previous year.

DIVIDEND

The Directors are pleased to recommend payment of dividend on equity shares @ Rs. 1.80 per share (18 percent) for the financial year ended 31st March, 2017, the same as paid in the previous year.

RESULTS OF OPERATIONS AND THE STATE OF COMPANY AFFAIRS

Operations

During the financial year under review, the Company has registered growth in its working and achieved higher income. The total income increased from Rs. 75756.65 lakhs to Rs. 76730.87 lakhs.

The Company's EBIDTA decreased marginally by 0.9% from Rs 8105.82 lakhs to Rs. 8031.66 lakhs. However, the Profit Before Tax (PBT) increased by 9.3%, from Rs 3830.82 lakhs to Rs. 4187.91 lakhs and the Profit After Tax (PAT) increased by 11.6%, from Rs. 2414.63 lakhs to Rs. 2693.94 Lakhs.

In the Main Hospital, total outpatient volumes decreased marginally by 0.51%, from 410723 to 408625, and total admissions by 0.08%, from 47229 to 47191. The overall bed occupancy of the hospital was 76% for the year and the Average Length of Stay was 4.4 days. The current total bed capacity is 718.

In spite of the tough macroeconomic environment, a steady growth of 15%, 11% and 11% was seen in robotic surgeries, cosmetic surgeries and general surgeries respectively. However, a decline of 5%, 4% and 13% respectively was seen in cardiac surgeries, neurosurgeries and orthopedic surgeries. In oncology, admissions increased by 9%, whereas surgeries and the number of radiotherapy sittings declined by 6% and 3% respectively. The total number of Apollo Health Checks increased by 5%.

There has been an outbreak of vector borne illness like Dengue and Chikungunya in the country. To support community health and to prevent the spread of mosquito borne diseases such as Dengue and Chikungunya, a fogging drive was carried out in the neighbouring areas of Jasola, Sarita Vihar and Sukhdev Vihar, New Delhi.

Apollo Hospitals, Noida continued to perform well across all operational parameters and remained one of the leading destinations for Mother and Child Care, Dialysis and Apollo Health Checks. Total admissions increased by 17.3% and admissions through Emergency by 26.8%. It continued to be one of the leading renal transplant centers in Noida. Renal transplant surgeries increased by 57%. Growth continued in Non-Invasive Cardiology, Health Checks and Dialysis.

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

order on 30.11.2009. In pursuance of the interim order, the Hospital is providing free treatment to the patients referred by the Govt. of NCT of Delhi exclusive of medicines and medical consumables. The SLP is pending before the Supreme Court of India.

A Nodal Medical Officer deputed by the Directorate of Health Services is present in the hospital to support, guide and monitor the treatment of patients referred by the Government. During the year, a total of 25750 patients (22457 Out Patients and 3293 In Patients) were treated under the free category.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

(A) Conservation of Energy

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

In order to achieve energy conservation the Hospital adopted an approach of shifting 100 TR of HVAC load from standalone air cooled split units to a centralized water cooled system. In continuation from the previous years all the renovated areas have been upgraded with LED lights.

Water recycling after tertiary treatment has been started for cooling towers; this has further reduced our fresh water requirement from the previous year.

The accumulated savings in electricity is over 174180 KWH and reduction in fresh water requirement is close to 2.9 KL as compared to the previous year.

The Company has also started to purchase power through open access system following a rigorous process of applications and installation & testing. This has been done in coordination with all agencies concerned and is expected to generate healthy savings in energy costs.

(B) Technology Absorption

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

Stand Alone Bispectral Index (BIS)

Bispectral index (BIS) is one of several technologies used to monitor depth of anaesthesia. BIS monitors are intended to replace or supplement Guedel's classification system for determining the depth of anaesthesia. Titrating anaesthetic agents to a specific bispectral index during general anaesthesia in adults (and children over 1 year of age), allows the anaesthetist to adjust the amount of anaesthetic agent to the needs of the patient, which may result in a more rapid emergence from anaesthesia. Use of the BIS monitor could reduce the incidence of intraoperative awareness during anaesthesia.

FOREIGN EXCHANGE EARNINGS & OUTGO

(a) Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services; and export plans

The Company is engaged in the healthcare business and is not carrying on any export activities. The Hospital has been empanelled with eminent international insurance companies and has appointed healthcare facilitators in various countries to cater to international patients.

(b) Total Foreign Exchange Earnings and Outgo

During the year under review, foreign exchange earnings and outgo were as under:-

Earnings : Rs. 12,575.54 lakhs

Outgo : Rs. 1,965.40 lakhs

BOARD MEETINGS

Five (5) Board meetings were held during the financial year ended 31st March, 2017. The dates of the meetings are as follows: 20th May, 2016, 1st July, 2016, 30th August, 2016, 22nd November, 2016, and 30th January, 2017.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Jaideep Gupta has been re-appointed by the Board as Managing Director of the Company for a period of one year effective from 30th April, 2017 to 29th April, 2018.

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

Mr. P. Shivakumar - Chief Financial and Operating Officer of the Company, has joined as the Chief Executive Officer, M/s. Apollo Hospitals Enterprise Limited, Chennai and has relinquished office w.e.f. 31st May, 2017. Mr. Chander Prakash Tyagi - Vice President (Finance) has been appointed Chief Financial Officer of the Company, in the place of Mr. P. Shivakumar.

In pursuance to the requirement of Section 203 of the Companies Act, 2013, Mr. Jaideep Gupta - Managing Director, Mr. Ajay Kumar Singhal - Vice president cum Company Secretary and Mr. Chander Prakash Tyagi - Chief Financial Officer, are the Key Managerial Personnel of the Company.

DECLARATION FROM INDEPENDENT DIRECTORS

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

COMPOSITION OF AUDIT COMMITTEE

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

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

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a vigil mechanism for Directors and Employees to report their concerns about unethical behavior, actual or suspected, fraud or violation of the company's code of conduct or ethics policy, or any other grievance, the details of which are given in the Corporate Governance Report. The Whistle Blower Policy may be accessed on the Company's website on the link <http://www.apollohospdelhi.com/downloads/Whistle%20Blower%20Policy.pdf>. During the year under review, no matter has been received under Whistle Blower Policy of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same;
- the appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2017 and of the profit of the Company for the year ended 31st March, 2017.
- the proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual accounts have been prepared on an on-going concern basis.
- the internal financial controls to be followed by the Company had been laid down and such internal financial controls are adequate and were operating effectively; and
- the proper systems had been devised to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

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

EXTRACT OF ANNUAL RETURN

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

AUDITORS AND AUDITORS' REPORT

As per Section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the term of M/s. S. C. Vasudeva & Co. (ICAI Registration No. 000235N), Chartered Accountants, New Delhi as the Statutory Auditors of the Company expires at the conclusion of the ensuing Annual General Meeting of the Company.

The Board of Directors of the Company at their meeting held on 26th May, 2017, on the recommendation of the Audit Committee, have made its recommendation for appointment of M/s. S. N. Dhawan & Co. LLP, Chartered Accountants (ICAI Registration No. 000045N), as the Statutory Auditors of the Company by the Members at the twenty-ninth Annual General Meeting of the Company for a term of five years from the conclusion of twenty-ninth Annual General Meeting till the conclusion of the thirty-fourth Annual General Meeting, subject to ratification of their appointment by the Members at every Annual General Meeting held after twenty-ninth Annual General Meeting of the Company. Accordingly, a resolution, proposing appointment of M/s. S. N. Dhawan & Co. LLP, Chartered Accountants, as the Statutory Auditors of the Company, pursuant to Section 139 of the Companies Act, 2013, forms part of the Notice of the twenty-ninth Annual General Meeting of the Company. The Company has received their written consent and a certificate that they satisfy the criteria provided under Section 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and rules framed thereunder.

The Report given by M/s. S. C. Vasudeva & Co., Statutory Auditors on the financial statement of the Company for the year 2016-17 is part of the Annual Report. The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comment. The Auditors' Report does not contain any qualification, reservation or adverse remark.

No fraud has been reported by the Auditors to the Audit Committee or the Board.

M/s. S. C. Vasudeva & Co. over many years have successfully met the challenge that the size and scale of the Company's operations pose for auditors and have maintained the highest level of governance, ethical standards, rigour and quality in their audit. The Board places on record its appreciation for the services rendered by M/s. S. C. Vasudeva & Co. as the Statutory Auditors of the Company.

SECRETARIAL AUDITOR

The Board has appointed M/s RSM & CO., practicing Company Secretaries, to conduct Secretarial Audit for the financial year 2016-17. The Secretarial Audit Report for the financial year ended 31st March, 2017, is annexed herewith marked as Annexure -2, to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

COST AUDITOR

The Board has appointed M/s Devarajan Swaminathan and Co., Cost Accountants, as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ended 31st March, 2017. The Cost Auditor has given the Cost Audit Report for the financial year ended 31st March 2017, and the Cost Audit Report does not contain any qualification, reservation or adverse remark.

DEPOSITS

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

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

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

INTERNAL FINANCIAL CONTROL SYSTEMS

To ensure that the Company's financial statements are accurate, sufficient and credible, the Company has established a system of Internal Financial Controls to ensure that all assets are safeguarded and protected against losses that may arise from unauthorized use or disposition, incorrect use, any incident of fraud and inappropriate storage.

The system is designed to adequately ensure that financial and other records maintained are accurate and reliable for preparing financial information and other data.

Such internal control procedures are augmented by an extensive programme of internal and external audits, and periodic reviews by the management. Reasonable assurance is obtained based on evidence regarding processes followed and their appropriate testing that such systems are adequate and comprehensive and are working effectively.

The Audit Committee evaluates the internal financial control system periodically.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

During the year under review, the Company has not given any loan nor made investment nor given guarantees under Section 186 of the Companies Act, 2013.

RISK MANAGEMENT

The Company has established an Enterprise wide Risk Management (ERM) Framework and has constituted a Risk Management Committee comprising senior executives headed by the Managing Director.

The Company also has a Risk Management Policy for identification, evaluation and mitigation of business risks and opportunities. This framework helps establish ownership

throughout the organization and embed risk management as an integral part of the business, and its goals and objectives. It helps the decision makers of the organization effectively recognize and to take account of uncertainty, the nature of that uncertainty, and to work towards a solution to address the same.

CORPORATE SOCIAL RESPONSIBILITY

The Company is committed to conducting its business in a socially responsible, ethical and environmental friendly manner, and to continuously work towards improving the quality of life of the communities where it operates.

The Company has a duly constituted CSR Committee, which is responsible for fulfilling the CSR objectives of the Company. As on 31 March, 2017, the Committee comprised three Directors viz. Ms. Vineeta Rai, Mr. S. Regunathan and Ms. Suneeta Reddy. Ms. Vineeta Rai is the Chairperson of the CSR Committee.

CSR Policy

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

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

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

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

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC 2 is not applicable to your Company. The policy on materiality of related party transactions as approved by the Board may be accessed on the Company's website at <http://www.apollohospdelhi.com/downloads/materiality-of-related-party-transactions.pdf>

FORMAL ANNUAL EVALUATION

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

The Evaluation Criteria for Appointment/Re-appointment of Independent Directors along with Evaluation Criteria for Performance Evaluation of Independent Directors/Directors/Chairperson and Performance Evaluation of the Board of Directors by each director, as laid down by the Nomination and Remuneration Committee, is annexed herewith marked as Annexure -4 to this Report.

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

REMUNERATION POLICY

The Board has, on the recommendation of the Nomination and Remuneration Committee, approved a policy for selection and appointment of Directors, Senior Management and for determining their remuneration. The Remuneration Policy is annexed herewith marked as Annexure - 5, to this Report.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are set out in the annexure to this report.

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

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

CORPORATE GOVERNANCE

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), a Management Discussion and Analysis Report and a Report on Corporate Governance is attached with this Report.

A Certificate from Practising Company Secretary regarding the Compliance by the Company of the conditions stipulated in Regulations Part C of Schedule V of the Listing Regulations is also attached with this report.

A declaration by the Managing Director pursuant to Regulations Part C of Schedule V of the Listing Regulations stating that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, during the financial year ended 31st March, 2017, is also attached with this report.

SEXUAL HARASSMENT

The Company has zero tolerance towards sexual harassment at the workplace and has framed rules on prevention, prohibition and redressal of sexual harassment in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. During the calendar year 2016, the Company had received one complaint which was duly investigated and redressed.

INDUSTRIAL RELATIONS

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

MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material change and commitment affecting the financial position of the Company, have occurred between the financial year ended on 31st March, 2017, and the date of the report.

ACKNOWLEDGEMENT

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

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

For and on behalf of the Board

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

Jaideep Gupta
(DIN: 02647974)
Managing Director

Place: New Delhi
Date: 28th July, 2017

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

EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2017

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

I. REGISTRATION AND OTHER DETAILS

(I) CIN NO.	L24232DL1988PLC030958
(II) Registration Date	16 th March, 1988
(III) Name of the Company	Indraprastha Medical Corporation Limited
(IV) Category/ Sub Category of the Company	Public / Company Limited by Shares
(V) Address of the Registered Office and Contact Details	Sarita Vihar, Delhi-Mathura Road, New Delhi – 110076 Phone: +91 011-26925858, 26925801 Fax: +91 011-26823629 Email: imclshares@apollohospitals.com
(VI) Whether Listed Company	YES
Name of the Stock Exchange where equity shares are listed	National Stock Exchange of India Ltd (NSE), Mumbai Stock Code: INDRAMEDCO BSE Ltd (BSE), Mumbai Stock Code: 532150
(VII) Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited 44, Community Centre, Phase-1, Near PVR Naraina Industrial Area, New Delhi – 110028 Phone: +91 011-41410592 Fax: +91 011-41410591 Email id: delhi@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

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

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

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

(I) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (1 st April, 2016)				No. of Shares held at the end of the year (31 st March, 2017)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters:-									
1. Indian									
a) Individual/HUF	864336	5	864341	0.94	864336	5	864341	0.94	-
b) Central Govt./ State Govt (s)	-	23834196	23834196	26.00	-	23834196	23834196	26.00	-
c) Bodies Corp.	20578163	-	20578163	22.45	20578163	-	20578163	22.45	-
d) Banks / FI	-	-	-	0.00	-	-	-	0.00	-
e) Any Other	-	-	-	0.00	-	-	-	0.00	-
Sub Total (A) (1)	21442499	23834201	45276700	49.39	21442499	23834201	45276700	49.39	-
2. Foreign									
a) NRI's Individual	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	1475000	-	1475000	1.61	1475000	-	1475000	1.61	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)	1475000	-	1475000	1.61	1475000	-	1475000	1.61	-
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	22917499	23834201	46751700	51.00	22917499	23834201	46751700	51.00	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	1849514	-	1849514	2.02	2004158	-	2004158	2.19	0.17
b) Banks /FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt (s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) Foreign Institutional Investors	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital	-	-	-	-	-	-	-	-	-
i) Foreign Portfolio Investor	357127	-	357127	0.39	71936	-	71936	0.08	(0.31)
j) Foreign Institutional /Banks	537744	14600	552344	0.60	359184	14600	373784	0.41	(0.19)
k) Funds others (specify)	-	-	-	-	-	-	-	-	-
Sub Total (B) (1)	2744385	14600	2758985	3.01	2435278	14600	2449878	2.67	(0.34)
2. Non Institutions									
a) Bodies Corporate									
1. Indian									
b) Individuals									
1. Individual shareholders holding nominal share capital upto Rs.1 Lakh	13668042	2126005	15794047	17.23	14487276	2070981	16558257	18.06	0.83
2. Individual shareholders holding nominal share capital in excess of Rs.1 Lakh	8737683	541823	9279506	10.12	8574518	541823	9116341	9.94	(0.18)
c) Others (specify)									
(c-i) Trusts	13850	-	13850	0.02	13851	-	13851	0.02	0.00
(c-ii) Non Resident Indians (Non Repat)	329913	0	329913	0.36	385505	0	385505	0.42	0.06
(c-iii) Non Resident Indians (Repat)	818838	1166327	1985165	2.17	670599	1166327	1836926	2.00	(0.16)
(c-iv) Clearing members	438560	0	438560	0.48	374583	0	374583	0.41	(0.07)
(c-v) Hindu Undivided Families	1266282	0	1266282	1.38	1441890	0	1441890	1.57	0.19
(c-vi) Body Corporate	12886152	137600	13023752	14.21	12579129	133700	12712829	13.87	(0.34)
(c-vii) Foreign Nationals	31240	0	31240	0.03	31240	0	31240	0.03	0.00
Sub Total (B) (2)	38190560	3971755	42162315	45.99	38558591	3912831	42471422	46.33	0.34
Total Public Shareholding (B) = (B)(1) + (B)(2)	40934945	3986355	44921300	49.00	40993869	3927431	44921300	49.00	-
C. Shares held by Custodian for GDRs & ADRs									
Grand Total A+B+C	63852444	27820556	91673000	100.00	63911368	27761632	91673000	100.00	0.00

(II) Shareholding of Promoters

S.No.	Shareholders Name	Shareholding at the beginning of the year (As on 1 st April, 2016)			Shareholding at the end of the year (As on 31 st March, 2017)			% of change in shareholding during the year
		No. of Shares	% of Total shares of the company	% of shares pledged/encumbered to total shares	No. of Shares	% of Total shares of the company	% of shares pledged/encumbered to total shares	
1	SUCHARITHA P REDDY	160689	0.18	0.00	160689	0.18	0.00	0.00
2	SANGITA REDDY	8600	0.01	0.00	8600	0.01	0.00	0.00
3	SUNEETA REDDY	138293	0.15	0.00	138293	0.15	0.00	0.00
4	PREETHA REDDY	202650	0.22	0.00	202650	0.22	0.00	0.00
5	SHOBANA KAMINENI	116918	0.13	0.00	116918	0.13	0.00	0.00
6	K S BAIDWAN	1	0.00	0.00	1	0.00	0.00	0.00
7	PRATHAP C REDDY	237187	0.26	0.00	237187	0.26	0.00	0.00
8	P V JAYAKRISHNAN	1	0.00	0.00	1	0.00	0.00	0.00
9	RAMESH CHANDER	1	0.00	0.00	1	0.00	0.00	0.00
10	VINEETA RAI	1	0.00	0.00	1	0.00	0.00	0.00
11	PRESIDENT OF INDIA	23834196	26.00	0.00	23834196	26.00	0.00	0.00
12	APOLLO HOSPITALS ENTERPRISE LIMITED	20190740	22.02	0.00	20190740	22.02	0.00	0.00
13	PCR INVESTMENTS LIMITED	387423	0.42	0.00	387423	0.42	0.00	0.00
14	WEDGEWOOD HOLDINGS LIMITED	1475000	1.61	0.00	1475000	1.61	0.00	0.00
	Total	46751700	51.00	0.00	46751700	51.00	0.00	0.00

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

S.No.		Shareholding at the beginning of the year (1 st April, 2016)		Cumulative Shareholding during the year (1 st April, 2016 to 31 st March, 2017)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	46751700	51	46751700	51
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.) ^{##}	0	0	46751700	51
	At the end of the year			46751700	51

^{##} There is no change in promoters shareholding from 1st April, 2016 to 31st March, 2017

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

S.No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (1 st April, 2016)		Cumulative Shareholding during the year (1 st April, 2016 to 31 st March, 2017)		S.No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (1 st April, 2016)		Cumulative Shareholding during the year (1 st April, 2016 to 31 st March, 2017)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	HOUSING DEVELOPMENT FINANCE CORPORATION LIMITED					4	CITADEL RESEARCH AND SOLUTIONS LIMITED				
	At the beginning of the year	6146897	6.71	6146897	6.71		At the beginning of the year	979751	1.07	979,751	1.07
	At the end of the year			6146897	6.71		08 Apr 2016	(8,306)	(0.01)	971,445	1.06
2	TATA INVESTMENT CORPORATION LIMITED						22 Apr 2016	(8,497)	(0.01)	962,948	1.05
	At the beginning of the year	1,040,713	1.14	1040713	1.14		29 Apr 2016	5,455	0.01	968,403	1.06
	09 Sep 2016	(37,100)	(0.04)	1003613	1.09		06 May 2016	(5,200)	(0.01)	963,203	1.05
	16 Sep 2016	(165,700)	(0.18)	837913	0.91		13 May 2016	2,258	0.00	965,461	1.05
	23 Sep 2016	(25,686)	(0.03)	812227	0.89		27 May 2016	4,784	0.01	970,245	1.06
	07 Oct 2016	(262,227)	(0.29)	550000	0.60		30 Jun 2016	11,843	0.01	982,088	1.07
	28 Oct 2016	(403,408)	(0.44)	146592	0.16		08 Jul 2016	(4,588)	(0.01)	977,500	1.07
	04 Nov 2016	(19,088)	(0.02)	127504	0.14		29 Jul 2016	(13,515)	(0.01)	963,985	1.05
	11 Nov 2016	(127,504)	(0.14)	0	0.00		05 Aug 2016	1,934	0.00	965,919	1.05
	At the end of the year			0	0.00		12 Aug 2016	(10,210)	(0.01)	955,709	1.04
3	MEENAKSHI NARAYAN INVESTMENTS (P) LTD.						26 Aug 2016	2,788	0.00	958,497	1.05
	At the beginning of the year	900,000	0.98	900,000	0.98		02 Sep 2016	(50,016)	(0.05)	908,481	0.99
	At the end of the year			900,000	0.98		28 Oct 2016	(4,895)	(0.01)	903,586	0.99

S.No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (1 st April, 2016)		Cumulative Shareholding during the year (1 st April, 2016 to 31 st March, 2017)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	04 Nov 2016	185	0.00	903,771	0.99
	11 Nov 2016	23,589	0.03	927,360	1.01
	25 Nov 2016	13,393	0.01	940,753	1.03
	20 Jan 2017	(772)	(0.00)	939,981	1.03
	03 Feb 2017	(2,728)	(0.00)	937,253	1.02
	10 Feb 2017	(7,929)	(0.01)	929,324	1.01
	03 Mar 2017	14,339	0.02	943,663	1.03
	10 Mar 2017	(5,173)	(0.01)	938,490	1.02
	17 Mar 2017	3,363	0.00	941,853	1.03
	<i>At the end of the year</i>			941,853	1.03
5	GAGAN OMPRAKASH NAVANI				
	<i>At the beginning of the year</i>	641,018	0.70	641,018	0.70
	<i>At the end of the year</i>			641,018	0.70
6	BIRLA SUN LIFE INSURANCE COMPANY LIMITED				
	<i>At the beginning of the year</i>	0	0.00	-	0.00
	03 Feb 2017	161,686	0.18	161686	0.18
	10 Feb 2017	115,904	0.13	277590	0.30
	17 Feb 2017	219,185	0.24	496775	0.54
	24 Feb 2017	116,215	0.13	612990	0.67
	10 Mar 2017	176,873	0.19	789863	0.86
	<i>At the end of the year</i>			789863	0.86
7	EMEDLIFE INSURANCE BROKING SERVICES LIMITED				
	<i>At the beginning of the year</i>	916,437	1.00	916,437	1.00
	08 Apr 2016	25,409	0.03	941,846	1.03
	22 Apr 2016	(7,790)	(0.01)	934,056	1.02
	29 Apr 2016	11,555	0.01	945,611	1.03
	06 May 2016	(5,200)	(0.01)	940,411	1.03
	13 May 2016	2,220	0.00	942,631	1.03
	27 May 2016	3,741	0.00	946,372	1.03
	30 Jun 2016	3,290	0.00	949,662	1.04
	08 Jul 2016	163	0.00	949,825	1.04
	15 Jul 2016	3,677	0.00	953,502	1.04
	29 Jul 2016	(11,325)	(0.01)	942,177	1.03
	05 Aug 2016	33	0.00	942,210	1.03
	12 Aug 2016	(10,210)	(0.01)	932,000	1.02
	26 Aug 2016	6,956	0.01	938,956	1.02
	02 Sep 2016	20,554	0.02	959,510	1.05
	09 Sep 2016	17,628	0.02	977,138	1.07
	23 Sep 2016	38,945	0.04	1,016,083	1.11
	30 Sep 2016	7,545	0.01	1,023,628	1.12
	07 Oct 2016	54,161	0.06	1,077,789	1.18
	28 Oct 2016	(4,895)	(0.01)	1,072,894	1.17
	04 Nov 2016	185	0.00	1,073,079	1.17
	11 Nov 2016	21,203	0.02	1,094,282	1.19
	25 Nov 2016	42,517	0.05	1,136,799	1.24
	30 Dec 2016	4,503	0.00	1,141,302	1.24
	13 Jan 2017	(5,556)	(0.01)	1,135,746	1.24
	03 Feb 2017	(2,728)	(0.00)	1,133,018	1.24
	10 Feb 2017	(6,687)	(0.01)	1,126,331	1.23
	03 Mar 2017	14,975	0.02	1,141,306	1.24
	10 Mar 2017	(5,706)	(0.01)	1,135,600	1.24
	17 Mar 2017	3,320	0.00	1,138,920	1.24
	<i>At the end of the year</i>			1,138,920	1.24
8	RELIANCE CAPITAL TRUSTEE CO. LTD-A/C RELIANCE CAPITAL BUILDER FUND - SR A				
	<i>At the beginning of the year</i>	735,850	0.80	735,850	0.80
	<i>At the end of the year</i>			735,850	0.80

S.No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (1 st April, 2016)		Cumulative Shareholding during the year (1 st April, 2016 to 31 st March, 2017)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
9	BHADRA JAYANTILAL SHAH				
	<i>At the beginning of the year</i>	900,000	0.98	900,000	0.98
	13 May 2016	(100,000)	(0.11)	800000	0.87
	29 Jul 2016	(50,000)	(0.05)	750000	0.82
	05 Aug 2016	(150,000)	(0.16)	600000	0.65
	16 Sep 2016	(75,000)	(0.08)	525000	0.57
	23 Sep 2016	(25,000)	(0.03)	500000	0.55
	11 Nov 2016	(100,000)	(0.11)	400000	0.44
	18 Nov 2016	(42,898)	(0.05)	357102	0.39
	25 Nov 2016	(107,102)	(0.12)	250000	0.27
	02 Dec 2016	(125,000)	(0.14)	125000	0.14
	09 Dec 2016	(125,000)	(0.14)	0	0.00
	<i>At the end of the year</i>			0	0.00
10	INDIA PHARMA FUND UNIT SCHEME OPTION A				
	<i>At the beginning of the year</i>	463,743	0.51	463,743	0.51
	06 May 2016	93,932	0.10	557,675	0.61
	20 May 2016	87,295	0.10	644,970	0.70
	14 Oct 2016	13,417	0.01	658,387	0.72
	<i>At the end of the year</i>			658,387	0.72
11	K KISHORE KUMAR				
	<i>At the beginning of the year</i>	193,088	0.21	193,088	0.21
	15 Apr 2016	(16,812)	(0.02)	176276	0.19
	22 Apr 2016	(1,484)	(0.00)	174792	0.19
	13 May 2016	4,294	0.00	179086	0.20
	27 May 2016	32,697	0.04	211783	0.23
	10 Jun 2016	31,230	0.03	243013	0.27
	24 Jun 2016	(23,378)	(0.03)	219635	0.24
	30 Jun 2016	13,410	0.01	233045	0.25
	01 Jul 2016	(777)	(0.00)	232268	0.25
	29 Jul 2016	24,138	0.03	256406	0.28
	05 Aug 2016	18,251	0.02	274657	0.30
	12 Aug 2016	56,480	0.06	331137	0.36
	19 Aug 2016	9,156	0.01	340293	0.37
	16 Sep 2016	106,730	0.12	447023	0.49
	07 Oct 2016	(25,700)	(0.03)	421323	0.46
	14 Oct 2016	25,700	0.03	447023	0.49
	21 Oct 2016	(1,150)	(0.00)	445873	0.49
	28 Oct 2016	1,150	0.00	447023	0.49
	16 Dec 2016	(22,140)	(0.02)	424883	0.46
	23 Dec 2016	22,140	0.02	447023	0.49
	30 Dec 2016	(72,295)	(0.08)	374728	0.41
	03 Feb 2017	57,980	0.06	432708	0.47
	10 Feb 2017	12,293	0.01	445001	0.49
	17 Feb 2017	(51,736)	(0.06)	393265	0.43
	24 Feb 2017	(27,963)	(0.03)	365302	0.40
	03 Mar 2017	(20,729)	(0.02)	344573	0.38
	10 Mar 2017	42,600	0.05	387173	0.42
	31 Mar 2017	59,850		447,023	0.49
	<i>At the end of the year</i>			447,023	0.49
12	UTI - PHARMA AND HEALTHCARE FUND				
	<i>At the beginning of the year</i>	626,852	0.68	626,852	0.68
	10 Mar 2017	(50,000)	(0.05)	576,852	0.63
	<i>At the end of the year</i>			576,852	0.63

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

(V) Shareholding of Directors and Key Managerial Personnel

S.No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (1 st April, 2016)		Cumulative Shareholding during the year (1 st April, 2016 to 31 st March, 2017)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
A DIRECTORS					
1	Dr Prathap Chandra Reddy				
	At the beginning of the year	237187	0.26	237187	0.26
	Increase/Decrease during the year	-	-	-	-
	At the end of the year			237187	0.26
2	Ms Suneeta Reddy				
	At the beginning of the year	138293	0.15	138293	0.15
	Increase/Decrease during the year	-	-	-	-
	At the end of the year			138293	0.15
3	Ms. Shobana Kamineni				
	At the beginning of the year	116918	0.13	116918	0.13
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	116918	0.13
4	Mr. S.N Sahai				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
5	Mr Jaideep Gupta				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
6	Dr. B. Venkataraman				
	At the beginning of the year	-	-	-	-
	DATE OF SALE	-	-	-	-
	At the end of the year	-	-	-	-
7	Prof. V. N Rajasekharan Pillai				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
8	Mr. Deepak Vaidya				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
9	Mr. T. S Narayanasami				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-

S.No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (1 st April, 2016)		Cumulative Shareholding during the year (1 st April, 2016 to 31 st March, 2017)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
10	Mr. S. Regunathan				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
11	Mr. Satnam Arora				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
12	Mr. Renu Sud Karnad				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
13	Ms. Vineeta Rai				
	At the beginning of the year	1	0.00	1	0.00
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	1	0.00
14	Dr Arun Rai				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
15	Mr Vinayak Chatterjee				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
B Key Managerial Personnel					
1	Mr. Jaideep Gupta- Managing Director				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
2	Mr Ajay Kumar Singhal- Vice President cum Company Secretary				
	At the beginning of the year	200	0.00	200	0.00
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	200	0.00
3	Mr. P. Shivakumar- Chief Financial and Operating Officer **				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-

** Mr P Shivakumar ceased to be the CFOO wef 31st May, 2017

V. INDEBTEDNESS

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

Description	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	74,999,997	200,000,000	-	274,999,997
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii +iii)	74,999,997	200,000,000	-	274,999,997

Description	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Change in Indebtedness during the financial year				
Addition	-	1,600,000,000	-	1,600,000,000
Reduction	50,000,000	1,400,000,000	-	1,450,000,000
Net Change	(50,000,000)	200,000,000	-	150,000,000
Indebtedness at the end of the financial year				
i) Principal Amount	24,999,997	400,000,000	-	424,999,997
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	24,999,997	400,000,000	-	424,999,997

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

(Amount in Rs.)

S.No.	Particulars of Remuneration	Name of Managing Director Mr. Jaideep Gupta	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9,498,165	9,498,165
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,612,353	1,612,353
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	– as% of profit		
	– others, specify		
	Total A	11,110,518	11,110,518
	Ceiling as per the Act	Rs. 20,939,556 (being 5% of the net profit of the Company calculated as per Section 198 of the Companies Act, 2013)	

B. Remuneration to other directors

(Amount in Rs.)

S.No.	Particulars of Remuneration	Name								Total Amount
1	Independent Directors	Dr. B. Venkataraman	Mr. Deepak Vaidya	Prof. V. N. Rajasekharan Pillai	Mr T. S Naryanasami	Mr Satnam Arora	Mr. S. Regunathan	Dr. Arun Rai	Mr. Vinayak Chaterjee	
	(a) Fee for attending Board committee meetings	220,000	160,000	120,000	100,000	160,000	160,000	80,000	100,000	1,100,000
	(b) Commission	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	2,800,000
	(c) Others	-	-	-	-	-	-	-	-	-
	Total (1)									3,900,000
2	Other Non Executive Directors	Dr. Prathap C. Reddy	Ms. Suneeta Reddy	Ms. Shobana Kamineni	Mr. S. N Sahai ^(A)		Ms. Vineeta Rai		Ms. Renu Sud Karnad	
	(a) Fee for attending Board committee meetings	80,000	180,000	60,000	220,000		160,000		80,000	780,000
	(b) Commission	350,000	350,000	350,000	350,000		350,000		350,000	2,100,000
	(c) Others	-	-	-	-		-		-	-
	Total (2)									2,880,000
	Total(B)=(1+2)									6,780,000
	Total Managerial Remuneration (A+B)									17,890,518
	Overall Ceiling as per the Act	Rs. 46,067,024 (being 11% of the net profit of the Company calculated as per Section 198 of the Companies Act, 2013)								

^(A) The Directors represents Govt. of NCT of Delhi and as per the instructions received from the Govt. of NCT of Delhi, the amount of commission has been paid to DDO, Health & Family Welfare Deptt., Govt. of NCT of Delhi.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(Amount in Rs.)

S.No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Mr. Ajay Kumar Singhal – Vice President cum Company Secretary	Mr P. Shivakumar – Chief Financial and Operating Officer [#]	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9,853,024	9,974,346	19,827,370
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	731,840	792,148	1,523,988
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock option	-	-	-
3	Sweat Equity	-	-	-
4	Commission – as% of profit – others, specify	-	-	-
5	Others, please specify	-	-	-
	Total	10,584,864	10,766,494	21,351,358

[#] Mr P Shivakumar ceased to be the CFOO wef 31st May, 2017.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NONE

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

ANNEXURE-2: FORM NO. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31st March, 2017

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

The Members

Indraprastha Medical Corporation Limited

Sarita Vihar
Delhi-Mathura Road
New Delhi – 110 076

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

Based on our verification of the Indraprastha Medical Corporation Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2017 complied with the statutory provisions listed hereunder and also that the company has proper Board - Processes and Compliance - Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:-

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Indraprastha Medical Corporation Limited ("the Company") for the financial year ended on 31st March, 2017 according to the provisions of:-

- (i) The Companies Act, 2013 ("the Act") and rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and bye - laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment, and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) Securities and Exchange Board Of India (Prohibition Of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
 - (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
- (vi) Food Safety and Standards Act, 2006;
 - (vii) Prevention of Food Adulteration Act, 1954.
 - (viii) Employees Provident Fund and Miscellaneous Provisions Act, 1952;
 - (ix) Employees State Insurance Act, 1948;
 - (x) Industrial Dispute Act, 1947;
 - (xi) Minimum Wages Act, 1948;
 - (xii) Payment of Bonus Act, 1965;
 - (xiii) Payment of Gratuity Act, 1972;
 - (xiv) Payment of Wages Act, 1936;
 - (xv) Apprentices Act, 1961;
 - (xvi) Employment Exchange (Compulsory Notification of Vacancies) Act, 1959;
 - (xvii) Maternity Benefit Act, 1961;
 - (xviii) Employees Compensation Act, 1923;
 - (xix) Contract Labour (Regulation & Abolition) Act, 1970;
 - (xx) Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013;
 - (xxi) Delhi Shops and Establishments Act, 1954;
 - (xxii) Environment Protection Act, 1986 and other Environmental Laws;
 - (xxiii) Air (Prevention and Control of Pollution) Act, 1981 and Rules;

- (xxiv) Water (Prevention and Control of Pollution) Act, 1974 and Rules;
- (xxv) Noise Pollution (Regulation and Control) Rules, 2000;
- (xxvi) Delhi Nursing Council Act, 1997;
- (xxvii) Indian Nursing Council Act, 1947;
- (xxviii) Delhi Nursing Home Registration Act, 1953;
- (xxix) Indian Medical Council Act, 1956;
- (xxx) Delhi Medical Council Act, 1997;
- (xxxi) Medical Termination of Pregnancy Act, 1971 and Rules;
- (xxxii) Narcotics Drugs & Psychotropic Substances Act, 1985;
- (xxxiii) Drugs and Cosmetics Act, 1940;
- (xxxiv) Blood Bank Regulation under Drugs and Cosmetics Rules, 1999;
- (xxxv) Pre-natal Diagnostic Techniques Act, 1994 and Rules;
- (xxxvi) Transplantation of Human Organ Act, 1994 and Rules;
- (xxxvii) Drugs & Magic Remedies (Objectionable Advertisement) Act, 1954;
- (xxxviii) Bio-Medical Waste Management Handling Rules, 1998;
- (xxxix) Indian Boilers' Act, 1923 and Rules;
- (xl) Petroleum Act, 1934 and Rules;
- (xli) Hazardous Waste (Management & Handling) Rules, 1989;
- (xlii) Delhi Fire Prevention and Fire Safety Act, 1986;
- (xliii) Delhi Fire services Act, 2007;
- (xliv) Delhi Lift Rules, 1942;
- (xlv) Prohibition of Smoking in Public Places Rules, 2008;
- (xlvi) Delhi Registration of Birth and Deaths Act, 1969;

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

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

During the period under review the company has complied with the provisions of the Act, Rules, Regulations,

Guidelines, Standards etc. mentioned above.

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

We further report that:-

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors. The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act;
- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting; and
- Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

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

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

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

Place: Delhi

Dated: 19th May, 2017

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

“ANNEXURE-A”

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

We report that:-

- a) Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
 - b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
 - c) We have not verified the correctness and appropriateness of the financial statements of the Company.
- d) We have obtained the management representation about the compliance of laws, rules and regulations, wherever required.
 - e) The compliance of the provisions of the corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on a random test basis.
 - f) The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

Place: Delhi
Dated: 19th May, 2017

ANNEXURE – 3: ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs	Brief outline of the Company's CSR objectives and its focus on projects/programs are mentioned in the CSR section of the Board's report.
2. Composition of the CSR Committee	Ms. Vineeta Rai (Chairperson) - Non-Executive Director Ms. Suneeta Reddy - Non-Executive Director Mr. S. Regunathan - Independent Director
3. Average net Profit for last 3 financial years	Rs. 4939.73 lakhs
4. Prescribed CSR expenditure (two percent of the amount as in item 3 above)	Rs. 99 lakhs
5. Details of CSR spent during the financial year	
a. Total amount to be spent for the financial year	Rs. 100.06 lakhs
b. Amount unspent, if any	None
c. Manner in which the amount spent during the financial year is given in CSR spent table attached.	
6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report	Not Applicable

DETAILS OF CSR SPENT

S. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs	Amount Outlay (budget) project or programs wise	Amount Spent on the projects or programs Subheads:		Cumulative Expenditure up the reporting period	Amount Spent Direct or through implementing agency *
					Direct	Overheads		
A								
1	A Healthy Start – MCD Schools and Delhi Government Schools							
	Day to day cleaning of toilet blocks in 2 MCD schools (Molarband and Gautampuri).	Sanitation [Schedule VII (i)]	Molarband and Gautampuri, New Delhi	535,000	683,722	-	683,722	Direct
	<i>Project Synopsis:</i> Going beyond construction of toilets, the CSR project A Healthy Start also addresses the critical issue of cleanliness by providing full-day cleaning staff to clean toilets in Molarband and Gautampuri MCD schools							
	Impact Evaluation Study of Watsan (water and sanitation) interventions under A Healthy Start in 2 MCD Schools.	Sanitation [Schedule VII (i)]	Molarband and Gautampuri, New Delhi	275,000	206,685	-	206,685	Direct
	<i>Project Synopsis:</i> The company's CSR project A Healthy Start, is aimed at enhancing sanitation and drinking water facilities in schools for the underprivileged in communities proximate to the hospital and increasing awareness on health and hygiene.							
	Construction of a toilet block in Delhi Government's school	Sanitation [Schedule VII (i)]	Badarpur, New Delhi	2,300,000	2300000	-	2,300,000	Implementing agency
	<i>Project Synopsis:</i> Under the company's CSR project A Healthy Start, aimed at enhancing sanitation and drinking water facilities in schools for the underprivileged in communities proximate to the hospital, new toilet blocks with urinals and wash basins were planned in collaboration with noted international NGO Rotary Foundation.							
2	A Healthy Start - Partnership with NGOs and Community Support Organisations to expand outreach to underprivileged children:							
	Critical life skills training in gender equity, sanitation, empathy and conflict resolution for children in two MCD schools.	Promoting education [Schedule VII (ii)]	Molarband and Gautampuri, New Delhi	2,000,000	1999800	-	1,999,800	Implementing agency
	<i>Project Synopsis:</i> Underprivileged school children all over India experience a paucity of resources in schools due to which learning outcomes are often sub-optimal. To address this need among primary school children, NGO Nalandaway Foundation was contracted to conduct critical training in the two MCD project schools through their awarded Art in Education programme to improve learning outcomes, life skills training in gender equity, sanitation, and conflict resolution.							
	Creating a positive Sanitation Ecosystem in schools - Hygiene Talks, creative programmes. Health education programmes	Sanitation [Schedule VII (i)]	Badarpur, New Delhi	300,000	255480	-	255,480	Direct
	<i>Project Synopsis:</i> The project also aimed at prioritising the issue of sanitation and hygiene among school children by holding health and hygiene awareness talks and creative events to re-inforce the importance of good hygiene in ensuring their health as well as to carry forward the message to their families. The outreach covered the four Delhi Government Senior Secondary Schools as well where toilets were built in 2015-16.							
3	Scholarships for meritorious, disadvantaged school children for higher studies identified by the schools	Promoting education [Schedule VII (ii)]	Molarband and Gautampuri, New Delhi	315,000	318209	-	318,209	Direct
	<i>Project Synopsis:</i> Furthering its commitment to underprivileged school children, Apollo Hospitals Scholarship was given to meritorious children in two MCD project schools. After an examination, 150 winners in each school were awarded. Instead of a cash prize that seldom reaches the children as it goes into parents' bank accounts, the 300 winners were given warm track suits and canvas shoes in December 2016.							

S. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs	Amount Outlay (budget) project or programs wise	Amount Spent on the projects or programs Subheads:		Cumulative Expenditure up the reporting period	Amount Spent Direct or through implementing agency *
					Direct	Overheads		
4	Supporting qualitative research study evaluating quality of maternal health care of underprivileged urban women in Delhi.	Preventive healthcare [Schedule VII (i)]	Badarpur, New Delhi	375,000	373,086	-	373,086	Implementing agency
<i>Project Synopsis:</i> Leading research NGO Public Health Foundation of India (PHFI) was contracted for this study to gain insight into the quality of maternal care among urban poor women towards helping improve rates of institutional delivery. The research study was designed following consultations with PHFI as well as with Indraprastha Apollo Hospital doctors.								
5	Supporting NGOs that work with the underprivileged for the rehabilitation of neurological conditions.	Preventive healthcare [Schedule VII (i)]	Delhi	1,000,000	1,000,000	-	1,000,000	Implementing agency
<i>Project Synopsis:</i> NeuroAid Foundation is a non-profit organisation that works on the rehabilitation of the underprivileged afflicted with neurological conditions at birth or through trauma, which requires specialised equipment and care. The Foundation has been supported to fund the purchase of specialised equipment that will enable efficient physiotherapy management and training in neurodevelopmental techniques for persons in need.								
6	Misc Expenses- (community support activities, disaster outreach, Transport, training, outstation travel, etc)	Measure to remove inequality faced by economically backward groups [Schedule VII (iii)]	Delhi	500,000	568,874	-	568,874	Direct
<i>Project Synopsis:</i> Monthly maternal health camps for pregnant women have been held for urban poor communities from June 2016 till March 2017.								
	Salaries	-	Delhi	500,000	500,000	-	500,000	Direct
B								
1	Contribution to Apollo Hospitals Educational and Research Foundation (AHERF) to undertake and promote scientific and medical research programs	Promoting Preventive health care [Schedule VII (i)]	Delhi	1,800,000	1,800,000	-	1,800,000	Implementing agency
<i>Project Synopsis:</i> Contribution has been made to undertake and promote scientific and medical research programs to provide affordable healthcare to the community, especially the underprivileged on the non-communicable diseases (NCDs).								
				9,900,000	10,005,856	-	10,005,856	

ANNEXURE – 4: CRITERIA'S FOR EVALUATION OF INDEPENDENT DIRECTORS / DIRECTORS / CHAIRPERSON

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

- a) Professional qualification and academic achievements.
- b) Personal attributes i.e.,
 - i. Integrity
 - ii. Honesty
 - iii. Expertise in the field of specialization
 - iv. Ability to share vision
 - v. Leadership
 - vi. Financial literacy
 - vii. Values
 - viii. Ethical behaviour
 - ix. Wisdom
- x. Trustworthy
- xi. Professional conduct
- xii. Affiliation to political parties
- c) Public standing and reputation in industry and financial markets.
- d) Conflict of interest vs interest of the company.
- e) Expectations and balancing of people of diverse fields in the Board.
- f) His directorship in other companies.

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

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

ANNEXURE – 5: REMUNERATION POLICY

BACKGROUND

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

OBJECTIVE

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

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

determining qualifications, positives attributes, integrity and independence etc.

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

1. REMUNERATION TO DIRECTORS

Section – A

Remuneration to Executive Directors

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

Key Principles:

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

- **Long term:** The structure of remuneration is designed to reflect the long term nature of the Company and significance of the protection of interest of the shareholders.
- **Fair treatment:** Total overall remuneration takes account of both the external market and company conditions to achieve a balanced “fair outcome”.

Elements of the Remuneration structure of Executive Directors:

- **Fixed salary**

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

- **Perquisites and Allowances**

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

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

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

- **Special awards for breakthrough business performance**

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

- **Premium for Health Insurance**

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

- **Premium for Indemnity Insurance**

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

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

respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the company, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

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

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

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

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

Section – B

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

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

Key Principles

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

Elements of the Remuneration structure of NED’s

- **Fee for attending Board, Committee and other meetings**

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

and the relevant statutory guidelines issued from time to time.

• **Commission on profits**

- In addition to the fee paid by the Company for attending Board and Committee meetings, NED's may receive commission on profits of the Company as may be decided by the Board within the limits as specified in the Companies Act, 2013 read with related rules issued thereon and all other applicable laws.
- While determining the amount of fee and commission on profits, the Board shall take into account the market practice, the performance of the Company, the travel and time commitment required for attending Board and Committee meetings and extent of responsibilities cast on directors under the various laws and other relevant factors.
- Any director who is in receipt of any commission from the company and who is a managing or whole-time director of the company shall not be disqualified from receiving any remuneration or commission from any holding company or subsidiary company of the Company subject to its disclosure by the company in the Board's report.

• **Reimbursement of expenses**

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

• **Premium for Health Insurance**

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

• **Premium for Indemnity Insurance**

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

• **Ceiling of one percent of Net profit**

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

2. REMUNERATION TO KEY MANAGERIAL PERSONNEL

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

qualification, experience & expertise of the personnel and the competitive market practices.

Key Principles

- Remuneration should be sufficient to attract, retain and motivate best non-executive talent suits to the requirement of the Company.
- Remuneration practice should be consistent with the recognized best standard practices for Key Managerial Personnel's.

Elements of the Remuneration structure of KMP's

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

3. REMUNERATION OF SENIOR MANAGEMENT PERSONNEL AND OTHER EXECUTIVES

- The remuneration to Senior Management personnel shall be fixed considering internal, external and individual equity; and also procedural equity.
- Remuneration to Senior Management Personnel shall include -
 - Fixed Salary
 - Perquisites and Allowances
 - Performance-linked bonus which shall be a cumulative outcome of both the individual target achievement level as well as the Company's Performance.
- Over & above the Senior Management Personnel may be offered Retention Bonus, where deemed fit, to ensure continuity of service depending upon:
 - Criticality of the role
 - Difficulty of replacement
 - Risk of Resignation
- Other benefits in accordance with the market practice

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

4. REMUNERATION TO OTHER EMPLOYEES

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

- Annual Pay increases shall be based on a combination of competency and performance rating.

Administration, Review and Amendment of the Policy

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

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

MANAGEMENT DISCUSSION & ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

Healthcare Services in India—General Overview

Like most developing countries, India's healthcare infrastructure is basic and limited - grossly inadequate to meet the demands of a large and diverse population. Large deficit in investment in the healthcare sector, has led to the under development of infrastructure. Health infrastructure deficiency coupled with a shortage of qualified healthcare providers has resulted in India lagging behind on most healthcare indicators when compared to global and regional norms. Public healthcare facilities still do not cover the country as extensively as they should. They have inadequate quality standards in several facilities, are understaffed and not properly equipped in terms of basic materials and equipment. There is therefore a significant short supply of healthcare services of good standard within the country, creating a large gap between services needed and those on offer. When combined with the strong fundamentals in the market for healthcare services; the large unmet opportunity has led to the emergence of private healthcare service providers as a driving force in the country's healthcare system. In partnership with the government, these service providers are best placed to close the gap and bring healthcare of superior standards to India's masses, especially to tackle the country's large Non-Communicable Disease burden.

While the Indian healthcare sector incurs a negative bias when viewed through the lens of last-mile accessibility and internationally accepted health markers, it is important to recognize the pockets of excellence and note the progress made, especially in the last two decades. Since liberalization, in 1991, the Indian healthcare sector has become one of the largest sectors in the country and has achieved several milestones. Rising income levels, ageing population, increased health awareness, improvement in treatment technologies, greater penetration of medical insurance and higher success rates have contributed immensely in making the healthcare sector one of the fastest growing sectors in the country today. Several world class facilities have been set up with highly skilled and globally recognized professionals, rapid advancements have been made in leveraging technology advances and an impressive track record has been created in medical innovation and value offerings. The quality of Indian healthcare has evolved significantly to the extent that it is much respected globally and today successfully attracts patients from across the world, giving a buoyancy to the medical tourism market.

With the support of the Indian Government and its engagement, private healthcare providers have enhanced

diversification in the provision of healthcare and enhanced reach of quality services to the target audience.

The overall Indian healthcare industry revenue currently stands at an estimated size of USD 110 billion and is expected to grow substantially to reach a size of USD 280 billion by 2020, recording a 17 % CAGR growth since 2011. These statistics indicate that today the Indian Healthcare sector is undoubtedly one of the highest potential sectors and its scale and size brighten the prospects for further enhancing healthcare services penetration in the country. All of these developments are expected to result in sustained expansion and progress of the Indian healthcare industry as a whole.

Source: Frost & Sullivan, LSI Financial Services, Deloitte, TechSci Research

Today, the private sector accounts for nearly 80 % of the country's total healthcare market. Clearly, the private sector has focused on higher value offerings as the private sector's share in hospitals alone is estimated at 74 % while its share of hospital beds is estimated at 40 %. Private players continue to invest significantly in this sector due to the historical under-investment, ample demand and prevalence of favorable dynamics which are expected to sustain the demand for healthcare.

The Healthcare Service Delivery Landscape in India

The Healthcare sector is majorly divided into three categories: primary, secondary and tertiary. The primary sector which mainly operates at the grass-root level has minimal involvement of private players. A significant portion of secondary and tertiary healthcare needs are met through private health institutions which are spread out in metros, tier I and tier II cities.

Lack of availability of adequate centers, challenges in cost and access lead to proper quality of care and misinformation lead a large number of patients to seek healthcare services from informal avenues. The historical under-investment in healthcare, inadequate state of the public health infrastructure, and the continued high share of unorganized healthcare providers across all healthcare formats means that a large proportion of the country, estimated at ~65% of its rural population, continues to live without being able to access healthcare services of an acceptable standard.

India's healthcare expenditure as a percentage of GDP in 2015 was relatively low at 4.2%, compared to the global average of 10.6%. In addition to this, the country's healthcare expenditure is disproportionately distributed between urban and rural areas which has

resulted in sharp disparity in healthcare availability across the country.

Bed density in the country was 1 bed per 1,050 patients, well below that of other countries and below the global median of 2.9 beds/1,000 patients. It is again estimated that an additional 3 million beds would be needed to achieve the target of 3 beds per 1,000 people by 2025. These statistics indicate the huge healthcare infrastructure gap in the country and the overall tremendous growth potential for the Indian healthcare industry in the endeavor to match global healthcare related metrics .

The Indian health sector is growing at a brisk pace due to the strengthening coverage of services and increasing expenditure by public as well private players. Since Independence, private healthcare providers have played an important role in improving access and healthcare quality in the country by continuously evolving to entrench themselves in the landscape. Private hospitals have created pockets of excellence across the country and are able to provide excellent quality of care. They are gearing up for the next wave which will see them take quality healthcare services beyond metros and tier I cities. Strong Government support and Public Private Partnership (PPP) coupled with the willingness of people to pay for health services will further contribute to the overall growth of this sector.

In order to produce visible changes in the overall Healthcare Services delivery landscape in the country, it is important that elements like cost accessibility, quality standards, resource availability and equitable distribution are worked upon through strong collaboration of the Government and the private sector.

Key Characteristics

Strong fundamentals inherent to the sector are expected to endure and further grow demand for healthcare sector in India. This industry in India is broadly characterized by the following:

Increase in population and demographic trends:

India's rising population and demographic trends have been a key catalyst for sustained growth of the healthcare ecosystem. Population growth contributes to the absolute growth for health care services and increases market size. The overall changing demographics of our country have also contributed to greater healthcare spend. India, the second most populated country in the world is largely dominated by a young population. However, the country is also home to a very large number of elderly citizens whose number is already set to rise, in absolute terms, from the current 98.9 million to about 168 million by 2026. The sheer number of elders in India exceeds the total population of several nations. The rise in the number of the elderly and rising life expectancy is increasing the demand for healthcare.

Rising per capita Income and widening of income Inequalities:

India has enjoyed tremendous economic growth over the last 3 decades. It has consistently featured amongst the fastest growing economies and the benefit of this growth has percolated to its citizens through an increase in per capita income. The rise in per capita income has improved affordability of healthcare and enabled access to millions of Indians who have progressed to middle class and affluent status. Due to increasing affordability there is now greater sophistication of demand as consumers are demanding and willing to pay for superior quality care. However, even as India continues to develop, the difference in earnings are giving rise to wider levels of inequality. Given its vast population, there are several million citizens at various stages of income distribution and each stage is forming a different market in terms of addressable value proposition.

Under-served:

The healthcare service delivery landscape lags behind with regards to accessibility and still has miles to go in order to improve its overall capacity and geographical reach in relation to the requirements of the nation. With 15% of the world's population, India has amongst the lowest per capita spend on healthcare. With only 1 bed per 1,050 population vs. the global average of around 2.9 beds per 1,000 population, the current hospital infrastructure is inadequate. India's continuous rise in population has led to an additional demand for healthcare infrastructure.

Changing nature of diseases:

A significant portion of the Indian population continues to live in sub-optimal sanitation conditions and many have no access to safe drinking water. Thus, while communicable diseases remain a constant threat and there are deep gaps in some of the basic primary care services across the country, disease profiles are changing in the segment of the population with increasing incomes. Rising pollution levels, rich diets, sedentary lifestyles and rising stress levels are leading to an increase in the incidence of non-communicable diseases. Currently about 50% of spending on in-patient beds account for lifestyle diseases due to increasing urbanization and problems related to modern-day living in urban-settings. India is ill prepared for the tsunami of NCDs and the healthcare sector will need to gear up to tackle the requirements of such a large populace. While the solution has to be multi-pronged with focus on preventive care, strong government participation especially through partnerships with private providers will be needed to contain this scourge.

Health Infrastructure skewed towards urban areas:

The progress made by private healthcare service providers in the last few years has been largely concentrated in urban areas. Therefore, tier II and tier III cities have been left far behind by organized private infrastructure with most rural areas lacking even basic amenities. Rural infrastructure has largely been supported by public investments, though fairly inadequate.

Low per capita income, low expenditure on healthcare, less number of doctors coupled with poor insurance penetration in rural areas are reasons for the vast disparity in offerings when compared with urban and semi-urban areas. Today, there exists a substantial demand for high-quality and specialist healthcare services in tier-II & tier-III cities.

Scaling up of Medical Tourism:

India is highly cost competitive compared to the developed countries and certain Asian countries, constituting an attractive destination for foreign patients and giving rise to a growing medical tourism industry. Statistics reveal that treatment of major surgeries in India costs approximately 20% of that in developed countries. The Indian healthcare has mushroomed a greater sophistication of offerings founded on the world class skills of its medical professionals.

Low treatment costs, state-of-the-art hospitals and skilled medical professionals coupled with commendable initiatives and engagement by the Government towards supporting medical tourism have all played a significant role in strengthening India's position as a preferred destination for quality healthcare. The market to reach a size of USD 8 billion by 2020.

SWOT ANALYSIS

Strengths

Brand Value

Indraprastha Medical Corporation Limited (IMCL) has emerged as a pre-eminent brand in the healthcare sector in the Delhi area and is acknowledged in national surveys as amongst the top healthcare service providers in the country. The positive brand image of IMCL has been successful in attracting best-in-class healthcare professionals and has earned itself a name as the service provider of choice for multiple categories of patients across age, geographic location, budgets and complexity of care required.

Further, the "Apollo" brand has emerged as the pre-eminent brand in the healthcare sector in India and in the South-Asian region. It is popularly known as the first corporate hospital network in India which has played a pivotal role in pioneering several developments in the healthcare space. The brand 'Apollo' has become synonymous with best-in-class health care services across multiple platforms. The combined overall positive brand image has helped IMCL garner several tangible and intangible benefits.

Technological expertise

We continue to make significant investments in introducing and upgrading our technology. We believe that quality of care and health outcomes are our primary objectives and advancements in technology has proven instrumental in enhancing treatment techniques and protocols, reducing recovery times and elevating healthcare outcomes.

Professional management team with rich industry experience

Our management team comprises of senior professionals with abundant industry expertise, proven track record and knowhow. They possess a proven track record in the healthcare services industry and have been instrumental in driving our strategy and growth.

Deep expertise

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

Integrated Healthcare Delivery Model

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

Focus on Clinical Excellence

Clinical excellence is of paramount importance to us. We have systems and procedures that frequently and routinely monitor key metrics and we enjoy high success rates and clinical outcomes especially for complex and high-end medical procedures. We were the first hospital in India to be accredited by the Joint Commission International (JCI), an evidence of the strength and maturity of our institution.

TASCC

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

Arrangements with Doctors/ Medical Personnel

We are able to attract senior medical professionals as we offer them a 'fee for service' arrangement, which provides them the professional comfort and freedom to deliver optimal performance. All our doctors are specialists within their chosen domains. Our training establishments provide us with an abundant number of newly qualified medical personnel, which can otherwise be a serious constraint to growth and efficiency.

Weaknesses

Extensive resource requirement

We operate in a sector which is highly capital-intensive - for example, due to high construction costs for specialized interiors and costs of regularly upgrading medical equipment. In addition to this, the upkeep of our facilities requires considerable investment of capital and significant resources are expended on skilled manpower which includes doctors, nurses and para-medical staff comprising lab technicians, radiographers and therapists. All of this escalates break-even levels.

Limited availability of Skilled Professionals

Systemic shortcomings in medical education in India have resulted in sub-optimal numbers of qualified healthcare professionals which causes a shortage of skilled manpower including doctors, nurses and para-medical staff across the industry. Further, severe competition in urban areas have caused unsustainable rise in remuneration. Skilled professionals also enjoy attractive entrepreneurial opportunities and are in demand in overseas markets as well. Success in healthcare delivery is highly dependent upon the ability to attract and retain skilled professionals and the shortage of skilled resources can act as a constraint to growth.

Heterogeneous Markets

Healthcare is an extremely dynamic industry and there are different requirements even in markets which are reasonably proximate. Every market has a unique set of circumstances with variance in demographics, disease profiles, customer attitudes, seasonal variations, price sensitivity and so on. Even hospitals in two different cities in the same state will not be subject to identical operating circumstances. Due to the complexities involved, significant management overview is required in sustaining clinical standards, balancing case mix, ensuring adequate volumes and regularly upgrading technology.

Opportunities

Increased incidence of lifestyle diseases

Poor nutrition, physical inactivity, long working hours, increase in stress levels, and increased use of tobacco and alcohol are some of the rising negative trends and habits due to increased urbanization and problems related to modern-day living in urban settings. This is compounded by rising pollution levels. This unhealthy lifestyle is giving birth to various lifestyle diseases and non-communicable diseases such as diabetes, heart disease and cancer which are increasing at an alarming rate. India already has the largest population of patients with lifestyle diseases.

Medical Tourism

Today, India has successfully evolved into a leading destination for the international cost-conscious medical traveler. Apart from the inherent cost advantage, high clinical success rates, top quality medical professionals; rapid adoption of technology and increasing number of globally accredited facilities have strengthened India's position as a preferred destination for medical tourism. India has also been successful in attracting medical tourists from developing countries which lack advanced medical facilities. Today, Indian medical tourism is enhancing the prospects of the Indian healthcare market substantially, benefiting its healthcare service providers in a big way.

Increased affordability

Continued growth in the Indian economy coupled with rising prosperity is projected to lead to sustained growth in

per capita income. As a result, several million citizens are expected to get elevated to the middle class and affluent categories which will lead to enhanced affordability and improved access to healthcare. Increased penetration of medical insurance will also lead to improved affordability of higher quality care.

Ageing Population & higher life expectancy

While India is considered to be blessed with a favorable demographic quotient given the relatively young population, it will also have a very large number of ageing citizens in absolute terms. India is expected to be home to around 168 million elders by 2026, which will undoubtedly accelerate the demand for healthcare services in the country. Further, as life expectancy increases several citizens are opting for surgeries even in cases which are non-threatening but enhance quality of life such as knee replacements and basic bariatric procedures.

Under-served and poorly served markets

There is a significant difference between the quality of healthcare services available in metro cities and large urban areas compared to some of the semi-urban and rural areas in the country. Patients in such areas have the ability and the willingness to pay for good quality healthcare services, however, due to lack of options they end up travelling to larger cities in search of better quality services. Healthcare service providers who are able to offer services of the desired quality in these areas will benefit from a ready marketplace for their services.

Changing formats and consumer preferences

Psychologically, hospitals tend to be a bit intimidating to the average citizen who responds better to a more relaxed atmosphere. Nowadays, patients prefer accessing single specialty centers and other healthcare delivery formats for most of their healthcare requirements. Most of these other healthcare delivery formats are economically viable as they require less capital investments, have faster breakeven and a better returns profile. Some of these new formats have demonstrated greater specialization and ability to create significant value when compared to larger tertiary care offerings.

Threats

Increasing Competition

The competitive intensity from unorganized as well as organized players continues to remain high. There is an increase in the number of entrepreneurs and business houses entering the healthcare business as compared to the past, resulting in a spike in the set-up of greenfield facilities, joint ventures and acquisitions.

Increasing cost of resources

The emergence of several domestic hospital chains combined with the entry of International players is leading to an increasing number of competitors chasing finite resources such as quality medical professionals. It is expected that the demand growth will outpace improved

supply of these resources. A failure to acquire resources at fair and reasonable rates will impact the Company's results of operations and financial condition.

Potential loss on the Medical Tourism Opportunity

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

COMPANY OVERVIEW

Excellence in Operations

The hospital remained committed to providing world-class quality healthcare and services. Focus continued on improving operational efficiencies across functions, improving patient services and enhancing safety for patients and staff.

The hospital has designated key specialties as advanced Apollo Centres of Excellence (COEs) mainly Cardiac sciences, Orthopaedics, Neurosciences, Oncology, Organ Transplants and Emergency. Bulk of the hospital's case load is in the COEs. The care provided to the patients is of international standards and the outcomes are comparable to the best in the world. The COEs have experienced teams including many leading consultants having expertise in the management of complex cases and use of state of the art technologies. The hospital is known for its focus on clinical, academic and research excellence. It has remained in the forefront of medical care in the country since its inception.

The hospital is the first in India to successfully conduct living donor liver transplant in both pediatric as well as adult patients. The hospital has introduced for the first time in the country many cutting edge technologies and new services. The air ambulance program of the hospital has carried out more than a thousand international and national emergency medical evacuations. The Oncology COE provides comprehensive cancer care services including state of the art radiation therapy. The hospital is the first in the country to install a dedicated stroke unit with 24 hours Neurology cover. The Cardiac sciences COE has consultants with experiences covering all streams in cardiac sciences. Complex cardiac surgeries are carried out with world class outcomes by highly experienced surgeons.

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

the functional efficiency of the hospital. The scorecards are rigorously monitored on a regular basis.

Quality Initiatives and Accreditation

The Hospital received the coveted JCI accreditation for the fifth consecutive time in April 2017. Apollo Hospital, Noida received its third consecutive NABH accreditation on 26th March, 2017.

The hospital undertook reduction in patient falls as a quality initiative. To bring down the patient falls rate, a committee has been formed to review all the patient falls every month. An interdisciplinary huddle takes place on the floor post every fall, to understand what went wrong and what can be done to prevent such falls in the future.

Infection Control and Environment

The Infection Prevention and Control Program, has been an integral part of the organization since its inception. The program focusses on decreasing preventable Health Care Associated Infections to a minimum and supports a robust Antimicrobial Stewardship Program aimed at judicious use of antimicrobials. The last year witnessed various campaigns focused on infection-preventive measures. Besides strict vigilance of highly restricted antimicrobials which are not allowed to be issued by the pharmacy without clearance from Infection Control, early and accurate diagnosis of infections, focus on appropriate prophylaxis, prohibition of antimicrobials without high impact scientific evidence from our hospital formulary, are some of the measures instituted in this direction. Periodic review of antimicrobial guidelines is carried out.

Continuous efforts are made towards an increase in Hand-hygiene through innovative tools so as to spread the message not only hospital-wide but across other medical institutions and to involve the community also in this most important hygiene aspect. Indraprastha Apollo Hospitals created the Guinness World Record for maximum participants in a hand sanitization relay at a single location on World Hand Hygiene Day, the first in India. This is also in alignment with National program of 'Swachh Bharat Abhiyaan'.

Through implementation of 'bundles (of measures)' and various campaigns as above, our healthcare indices currently stand at 0.47, 1.43 and 0.70 respectively per 1000 device days for central-line associated bloodstream infections (CLABSI), ventilator associated pneumonia (VAP) and catheter associated urinary tract infections (CAUTI) and are comparable to the best healthcare centers globally.

Indraprastha Apollo Hospitals also has the privilege of being the current secretariat for the Hospital Infection Society - India. There is active representation in various important expert committees in the Bureau of Indian Standards, the Antimicrobials Resistance (AMR) Containment Program of MOHFW, Government of India, and various other programs of WHO-WR for India in healthcare associated infection prevention and control as well as antimicrobial resistance containment.

Medical Tourism

The hospital continued to be one of the most sought after destinations for international patients and received patients from more than 90 countries in the financial year 2017. The hospital is chosen by international patients primarily due to the quality of care being provided and the success rates with clinical outcomes. The value proposition offered by the Hospital and its coveted JCI accreditation status help in attracting international patients.

The Indian capital's accessibility to international locations and improved travel infrastructure also remains a key factor for attracting international patients for medical value travel.

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

New Services

The Hospital has taken a lead in the field of Robotic Head and Neck surgery by using the state of the art surgery technique. It provides advantages such as faster recovery, a very small incision, less scarring, less blood loss and pain, decreased risk of infection, shorter hospital stay and excellent outcome.

Geriatric Services: Along with other hospitals of the Apollo Group, Indraprastha Apollo Hospitals has started providing Geriatric Services starting December 2016. Our country is undergoing demographic transition with a rapid increase in the number of elderly people. Geriatrics aims to promote health by preventing and treating diseases & disabilities in older adults. It differs from standard adult medicine because it focuses on the unique needs of the elderly whose body is physiologically different from the younger adult body and whose various organ systems in the body start manifesting symptoms due to decline of functional capability.

Laboratory Services: New technique of Molecular Micro Film Array (Biofire) for rapid detection of micro-organisms in cases of meningitis/ encephalitis, sepsis, respiratory infections and gastroenteritis has been introduced in Molecular Microbiology.

Apollo Sarthak Mental Health Services (AS-MHS) Program has been launched. The Program provides mental health services and quality of life programs to outpatients and inpatients in the areas of psychiatry, psychotherapy, psycho-diagnostic testing, rehabilitation services, etc.

Physiotherapy: Neuro developmental therapy has been introduced. It is a holistic and interdisciplinary clinical practice model informed by current and evolving research that emphasizes individualized therapeutic handling based on movement analysis for habilitation and rehabilitation of individuals with neurological pathophysiology.

Cardiology: Cardioversion, a medical procedure that restores a normal heart rhythm in people with certain

types of abnormal heartbeats (arrhythmias), has been introduced.

Blood bank: Cryopreservation for stem cells has been introduced.

Awards and Accolades

In a national critical care ranking survey published by the Times of India in March 2017, the Hospital secured First ranking in 5 out of the 9 critical care specialties covered in the ranking of private hospitals in the country. The hospital was also ranked as the second best private multispecialty hospital in the country behind Apollo Hospitals Chennai in the overall national rankings.

Internationally, the Hospital received four awards in Vietnam at the Asian Hospital Management Awards (HMA) in September 2016. These awards recognize and honour hospitals in Asia that implement best hospital practices. The hospital was recognized for best practices in categories such as Patient Safety, Bio Medical Facilities Improvement, Customer Service and Human Resource Development.

The Hospital also won two awards at the 'Express Health Care Excellence Awards' in Hyderabad in September 2016 under the categories Patient Care and Corporate Social Responsibility.

It received the "Transformers Award" for digital transformation at the Dell EMC awards at Mumbai in October 2016.

The hospital was awarded the Best Indian Hospital for Medical Travel and Best Organ Transplant Centre at ASSOCHAM - Meditravel 2017, New Delhi on 21st February 2017.

Risk Management & Internal Controls

The increase in scale and reach of operations increases the overall complexity and results in an intensified risk profile. Business Risk Evaluation and management of such risks is an ongoing process within the organization. To mitigate such risks, your Company has devised and implemented a comprehensive enterprise risk management (ERM) framework to ensure that all the current and potential risk exposures of the Company are - identified, evaluated, analyzed and appropriately managed.

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

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

- Competitive intensity, and new entrants to the market

- Pace of obsolescence of technology and treatment methods utilized by us
- Inflationary pressures and other factors affecting demand.
- Increasing costs of materials, transport and storage
- Labour shortages and attrition of key staff including medical professionals
- Increased compliance and regulatory pressures including changes to tax laws
- Complaints before the Consumer Courts have been filed by patients or their relatives against the hospital and the Consultant Doctors for medical negligence even when some times the negligence is not actual but only perceived. Although, the Hospital has insured itself with professional indemnity policy to cover the financial risk, media coverage of such matters can impact the reputation of the hospitals and its stakeholders.
- In a Public Interest Litigation (PIL) on free patient facility in the Hospital, the Hon'ble High Court of Delhi has held that free treatment provided by the Hospital, as per the terms of the lease deed shall be inclusive of medicine and consumables. The Company has filed a Special Leave Petition (SLP) before the Hon'ble Supreme Court of India against the impugned judgment and order of the Hon'ble High Court of Delhi. In pursuance of an interim order dated 30th November 2009 by the Hon'ble Supreme Court, the company has been charging for medicines and consumables from patients referred by the Government of Delhi for free treatment. If the impugned judgement of the Hon'ble High Court of Delhi to provide free treatment including medicines and consumables upto 33% IPD and not less than 40% OPD is to be implemented, it will impact the financial performance of the Company.
- In a matter before the Labour Court, which took place after the strike by a section of employees in the Hospital in September 1998, the Learned Presiding Officer has awarded 50 per cent back wages as part of relief along with an amount of Rs. 9,000/- as litigation expenses to each of the workmen. The Company has challenged the aforesaid award in an appeal before the Hon'ble High Court of Delhi and the Hon'ble High Court has stayed the operation and implementation of the award. However, in pursuance of the interim order by the Hon'ble High Court of Delhi in the matter, the entire amount as awarded by the Learned Presiding Officer of around Rs. 1 Crore has been deposited with the Registrar General of the Hon'ble High Court of Delhi. A group of employees has also challenged the said award before the Hon'ble Court of Delhi seeking re-instatement and full back wages.
- Non availability of nurses with requisite skills, qualifications and experience in the NCR region.

- Increasing pricing pressure from insurance companies, e.g., requests for discounts on rack rates, medication etc. will have an adverse impact on margins and revenues.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an established system of Internal Financial Controls to ensure that all assets are safeguarded and protected. We have processes in place to ensure that all transactions are evaluated, authorized, recorded and reported accurately.

Such internal control procedures are further augmented by an extensive programme of internal, external audits and periodic review by the management.

Reasonable assurance is obtained based on evidence regarding processes followed and their appropriate testing that such systems are adequate and comprehensive and are working effectively.

INTERNAL CONTROLS

We are committed to maintaining a high standard of internal controls in our operations. Our internal controls deploy a well-designed robust system which allows optimal use and protection of assets, facilitate accurate and timely compilation of financial statements and management reports, apart from ensuring compliance with statutory laws, regulations and company policies.

Our robust internal control systems which are reviewed periodically provide reasonable assurance that all of our assets are safeguarded and protected. Our Internal control system is designed to manage rather than to completely eliminate the risk of failure to achieve business objectives.

The internal control system is designed to ensure that all transactions are evaluated, authorized, recorded and reported accurately. In addition to this, extensive budgetary control reviews the mechanism for timely review of comparison of actual performance with forecasts.

Our management is responsible for assessing the business risks in all aspects of its operations and for implementing effective and efficient processes and controls whilst ensuring compliance with internal and external rules and regulations. While reviewing our internal controls, sufficient regard is given to the risks to which the business is exposed, the likelihood of such risks occurring and the costs of protecting against them.

DISCUSSION ON CONSOLIDATED FINANCIAL PERFORMANCE AND RESULTS OF OPERATIONS

Revenues

The total revenue grew from Rs. 75756.66 lakhs in FY2016 to Rs. 76730.87 lakhs in FY2017.

The following table shows the key drivers of our revenues for the periods presented:

Particulars	Year Ended March 31, 2017			
	31.03.2017	31.03.2016	Increase	% Increase
			(Decrease)	(Decrease)
Discharges	56,460	55,163	1297	2%
Revenues per patient (₹)	1,35,903	1,37,332	-1429	-1%
Average length of stay (days)	4.40	4.60		
Out-patients	4,63,826	4,74,191	-10365	-2%
Revenue per bed day (₹)	36,582	34,741		

Expenses

Salaries and Benefits

Our salaries and benefits expense of Rs. 18155.79 lakhs during FY2016 increased by 4.79% to Rs. 19025.70 lakhs in FY2017.

Particulars	Year Ended March 31, 2017					
	31.03.2017	% of Revenue	31.03.2016	% of Revenue	Increase	% Increase
					(Decrease)	(Decrease)
Salaries, wages and benefits (excluding managerial remuneration)	1,86,58,73,251	24%	1,78,18,48,535	24%	8,40,24,716	5%
No. of employees	2966		3150		(184)	(6%)

Consultation Fees paid to doctors

During the year, consultation fees paid to doctors has been decreased from Rs. 19269.31 lakhs during FY2016 to Rs. 19145.51 lakhs during FY2017.

Administrative Expenses

The following table summarizes our operating and administrative expenses for the periods presented

Particulars	Year Ended March 31, 2017					
	31.03.2017	% of Revenue	31.03.2016	% of Revenue	Increase	% Increase
					(Decrease)	(Decrease)
Repairs and maintenance	19,42,69,392	3%	16,88,41,700	2%	2,54,27,692	15%
Rents and leases	4,99,84,738	1%	4,79,67,420	1%	20,17,318	4%
Outsourcing expenses	34,20,12,208	4%	33,68,30,553	4%	51,81,655	2%
Marketing and advertising	38,66,90,555	5%	37,27,63,177	5%	1,39,27,378	4%
Legal and professional fees	5,96,78,450	1%	6,09,14,231	1%	(12,35,781)	-2%
Rates & taxes	5,08,78,362	1%	5,16,96,697	1%	(8,18,335)	-2%
Provision for doubtful debts & Bad debts written off	2,88,61,357	0%	1,83,75,536	0%	1,04,85,821	57%
Other administrative expenses	44,89,11,625	6%	46,52,37,865	6%	(1,63,26,240)	-4%
Total	1,56,12,86,687		1,52,26,27,179		3,86,59,508	

Provision for Income Taxes

The provision for taxes during the year ended March 31, 2017 is Rs. 1457.23 lakhs compared to Rs. 1431.34 lakhs in the previous year ended March 31, 2016.

Human Resources

Our people form the nucleus of what we do at our hospital and we acknowledge the contribution of all our employees in our journey. The total number of employees in the Company as on 31st March, 2017 was 2966 as against

3150 employees in previous year. The Company has also engaged contractors for various support services in the Hospital and they have deployed 1018 workers which was the same in the previous year. Besides the above, there are Consultant Doctors who work on a 'Fee for Service' basis.

These diverse employees bring their experience, culture and commitment to the work they do every day to improve the health of our patients. Every employee of our family has embraced our philosophy of "Tender Loving Care" in the Patient Care Journey.

We understand the value of diversity in culture, language, religious beliefs, and gender, and have been a key supporter to nurture the same in the company. Therefore, the Group strives to build a conducive work environment which embraces diversity and fosters inclusion. We are committed to nurturing and developing potential leaders that can continue to enhance our values and culture further.

We believe that the foundation of outstanding quality care is a highly skilled, caring workforce that is proficiently trained to provide personalized and evidence-based care. Therefore, our success largely depends on the high level of skills, commitment and professionalism of our people. Continuous learning is an integral component of the HR system which empowers our employees to be well-prepared for providing superior patient care. The human resource systems and procedures, and the organization's environment, encourage creativity and innovation whilst driving dedication and efficiency amongst the employees. We are aware that commitment and competence of our employees are key drivers of overall organizational performance and thus we endeavor to strengthen the organizational culture and retain the best talent. As we plan for the future, our workforce continues to grow and we continue to focus on attracting the best talent in the country and across the globe.

Cautionary Statement

Some of the statements in this Management Discussion & Analysis describing the Company's objectives, projections, estimates, expectations and predictions contain certain 'forward looking statements' within the meaning of applicable laws and regulations. These statements and forecasts involve risk and uncertainty because they relate to events and depend upon circumstances that may occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements and forecasts. Important developments that could alter your Company's performance include increase in material costs, technology developments and significant changes in the political and economic environment, tax laws and labour relations.

For and on behalf of the Board

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

Jaideep Gupta
(DIN: 02647974)
Managing Director

Place: New Delhi
Date: 28th July, 2017

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

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

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

1. To recognize the respective roles and responsibilities of the Board and Management
2. To achieve the highest degree of transparency by maintaining the optimum level of disclosure
3. To ensure and maintain high ethical standards in all areas of the Company's functioning
4. To render high importance to investor relations
5. To ensure adequate risk management system and

internal controls

6. To ensure that employees of the company subscribe to the corporate values and apply them in their conduct
7. To ensure that the decision making process is fair and transparent

2. BOARD OF DIRECTORS

(a) Composition of Board

As on 31st March 2017, the Board of Directors consists of 15 (Fifteen) members comprising of 1 (one) Executive Director and 14 (Fourteen) Non-Executive Directors including 8 (eight) Independent Directors and 4 (four) women Directors. The composition of the Board of Directors of the Company is in conformity with Section 149 of the Companies Act, 2013 read with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

The Chairman of the Board is Non-Executive. The Chairman, Vice-Chairman, Managing Director and Independent Directors of the Company are not liable to retire by rotation.

All other Directors are liable to retire by rotation.

(b) Names and Category of Directors, attendance of the Directors at the Board Meetings and the last Annual General Meeting, Outside Directorships and other Membership or Chairmanship of Board Committees

Above information as on 31st March, 2017, is as under:-

Name of the Director and Category	DIN	No. of Board Meetings Attended	Attend-ance at the last AGM	Number of Directorships in other public companies (A)		Number of Committee positions held in other public companies (B)	
				Chairperson	Member	Chairperson	Member
Dr. Prathap C Reddy (Vice-Chairman) /Non - Executive	00003654	4	Yes	7	1	Nil	Nil
Mr. Jaideep Gupta (Managing Director)/ Executive	02647974	5	Yes	Nil	Nil	Nil	Nil
Mr. S. N. Sahai /Non-Executive	00860449	5	No	Nil	7	6	1
Ms. Suneeta Reddy /Non- Executive	00001873	5	Yes	Nil	8	Nil	1
Ms. Shobana Kamineni/ Non- Executive	00003836	3	Yes	Nil	9	Nil	Nil
Ms. Vineeta Rai/Non-Executive	07013113	4	Yes	Nil	Nil	Nil	Nil
Ms. Renu S. Karnad/Non- Executive	00008064	4	Yes	Nil	9	1	5
Dr. B.Venkataraman- Independent/Non - Executive	00040114	4	No	1	5	Nil	1
Mr. T. S. Narayanasami - Independent/Non-Executive	01786981	2	Yes	Nil	2	Nil	2
Mr. S. Regunathan - Independent/Non-Executive	00286505	5	Yes	Nil	1	Nil	Nil
Prof. V. N. Rajasekharan Pillai-Independent/Non-Executive	02415889	5	No	Nil	Nil	Nil	Nil

Name of the Director and Category	DIN	No. of Board Meetings Attended	Attendance at the last AGM	Number of Directorships in other public companies (A)		Number of Committee positions held in other public companies (B)	
				Chairperson	Member	Chairperson	Member
Mr. Satnam Arora-Independent/Non- Executive	00010667	3	Yes	Nil	2	Nil	2
Mr. Deepak Vaidya-Independent/Non-Executive	00337276	3	Yes	1	3	2	1
Dr. Arun Rai - Independent /Non-Executive	07159822	4	No	Nil	1	Nil	1
Mr. Vinayak Chatterjee - Independent /Non-Executive (1)	00008933	5	Yes	1	3	1	1

Notes:

- (1) Appointed by the Board as an Additional Director on 01.04.2016 and thereafter appointed by the shareholders as a Director at the last Annual General Meeting held on 30.08.2016.
- (A) Directorship in companies registered under the Companies Act, 2013 (earlier Companies Act, 1956), excluding companies under Section 8 of the Companies Act, 2013 (earlier Section 25 of the Companies Act, 1956).
- (B) Only covers Membership / Chairmanship of Audit Committee and Stakeholders Relationship Committee of public limited companies.

None of the Directors on the Board holds the office of Director in more than twenty companies or membership of committees of the Board of more than ten Committees or Chairmanship of more than five Committees across all the companies in which he / she is a Director. Necessary disclosures regarding Committee positions in other companies as on 31st March, 2017, have been made by the Directors.

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

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

Five (5) Board meetings were held during the financial year ended 31st March, 2017. The dates of the meetings are as follows: 20th May, 2016, 1st July, 2016, 30th August, 2016, 22nd November, 2016, and 30th January, 2017. The time gap between two consecutive Board meetings was not more than one hundred and twenty days.

All material information was circulated to the directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board as prescribed under Part A of Schedule II of Sub-Regulation 7 of Regulation 17 of the Listing Regulations.

(d) Meeting of Independent Directors

During the year, separate meeting of the Independent Directors was held on 20th May, 2016 without the attendance of non-independent directors and members of the management.

(e) Relationships between Directors:

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

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

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

(f) Shares held by Non-Executive Directors

The number of shares held by Non-Executive Directors, in the share capital of the Company as on 31st March, 2017, is as under:-

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

Note: None of the Directors was holding shares as on 31st March, 2017, in the share capital of the Company, except above named Directors.

(g) Familiarisation Programmes

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

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

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

year are available on the website of the Company <http://www.apollohospdelhi.com/downloads/Familiarization-Program-for-Independent-Directors-2017.pdf>.

(h) Code of Conduct

The Board of Directors had adopted a Code of Conduct for all the Board Members, Key Managerial Personnel and Senior Managerial Personnel's of the Company. The Code of Conduct has been placed on the website of the Company. All the Board Members, Key Managerial Personnel and Senior Managerial Personnel of the Company have affirmed compliance with the Code of Conduct, for the financial year ended 31st March, 2017. A declaration to this effect signed by the Managing Director is annexed herewith.

3. AUDIT COMMITTEE

(a) Terms of Reference

The terms of reference of the Audit Committee covers the areas as contemplated in Section 177 of the Companies Act, 2013, and Regulation 18 of the Listing Regulations, which inter-alia shall include:

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

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

Powers of Audit Committee

The powers of the Audit Committee include the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers it necessary
5. To have full access to information contained in the records of the Company.

(b) Composition, Name of Members and Chairperson

As on 31st March, 2017, the Audit Committee consists of six Non-Executive Directors (including four Independent Directors) viz. Mr. T. S. Narayanasami, Dr. B Venkataraman, Ms. Suneeta Reddy, Mr. S. N. Sahai, Mr. Satnam Arora and Mr. Deepak Vaidya. Mr. T. S. Narayanasami (Independent Director) is the Chairman of the Audit Committee.

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

The Committee's composition is in compliance with provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

(c) Meetings and attendance during the year

The Audit Committee met six (6) times during the year on 19th May, 2016, 1st July, 2016, 29th August, 2016, 22nd November, 2016, 30th January, 2017 and 27th March, 2017, and the time gap between two consecutive meetings was not more than one hundred and twenty days. The names of Members, Chairman and their attendance at the Audit Committee Meetings are as under:

Members	Category	Meetings Held	Meetings Attended
Mr. T. S. Narayanasami (Chairman)	Independent - Non-Executive	6	3
Dr. B Venkataraman	Independent - Non-Executive	6	4
Ms. Suneeta Reddy	Non-Executive	6	4

Members	Category	Meetings Held	Meetings Attended
Mr. S. N. Sahai	Non-Executive	6	6
Mr. Satnam Arora	Independent - Non-Executive	6	3
Mr. Deepak Vaidya	Independent - Non-Executive	6	4

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

Mr. T. S. Narayanasami - Chairman of the Audit Committee was present at the last AGM of the Company to address the queries of the shareholders.

4. NOMINATION AND REMUNERATION COMMITTEE

(a) Terms of Reference

The terms of reference to the Nomination and Remuneration Committee covers the areas as contemplated in Section 178 of the Companies Act 2013 and Regulation 19 of the Listing Regulations, which inter alia includes the following:-

- (i) identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down; recommend to the Board their appointment and removal and carry out evaluation of every director's performance.
- (ii) formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees.
- (iii) while formulating the policy, ensure that-
 - (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
- (iv) Formulate the criteria for evaluation of performance of Independent Directors and the Board.
- (v) Devise a policy on Board diversity.
- (vi) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

(b) Composition, name of members and Chairperson

As on 31st March, 2017, the Nomination and Remuneration Committee consists of five Non-Executive Directors (including three Independent Directors) viz. Dr. B Venkataraman, Ms. Suneeta Reddy, Mr. S. Regunathan, Mr. T. S. Narayanasami and Mr. S. N. Sahai. Dr. B. Venkataraman (Independent Director) is the Chairman of the Nomination and Remuneration Committee.

(c) Meetings and Attendance during the year

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

The Chairman of the Nomination and Remuneration Committee Dr. B. Venkataraman could not attend the last Annual General Meeting of the Company due to his prior commitments and had authorized Ms. Suneeta Reddy - Member Nomination and Remuneration Committee to address the query of the shareholders relating to the Nomination and Remuneration Committee at the AGM, if any, on his behalf.

(d) Performance Evaluation Criteria for Independent Directors

The criteria for performance evaluation cover the areas relevant to the functioning as Independent Directors such as preparation, participation, conduct and effectiveness. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the

evaluation, the Directors who were subject to evaluation had not participated.

5. REMUNERATION OF DIRECTORS

(a) Remuneration Policy

The Company's Remuneration Policy for Directors, Key Managerial Personnel, Senior Management Personnel and other employees is annexed as per Annexure - 5 to the Directors' Report.

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

The details of Remuneration paid to Directors for the year ended 31st March, 2017, are as under:-

i) The Non-Executive Directors are paid by way of sitting fee for attending each meeting of the Board of Directors or Committees thereof. In addition to the sitting fees being paid by the Company for attending each meeting of the Board of Directors or Committees thereof, the Board has approved the payment of commission of Rs. 3,50,000/- to each of the Non-Executive Director including Independent Directors in respect of the financial year 2016-17. The aggregate commission payable to all Non-Executive Directors is well within the limit of 1% of net profits of the Company calculated in accordance with the provisions of the Companies Act, 2013.

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

Name of the Director	Relationship with other Directors	Amount (Rs.)		
		Remuneration paid / payable for the year ended 31 st March, 2017		
		Sitting Fee	Commission Payable	Total
Dr. Prathap C Reddy	Father of Ms. Suneeta Reddy and Ms. Shobana Kamineni	80,000	3,50,000	4,30,000
Mr. S. N. Sahai	-	2,20,000	3,50,000 **	5,70,000
Ms. Suneeta Reddy	Daughter of Dr. Prathap C Reddy and sister of Ms. Shobana Kamineni	1,80,000	3,50,000	5,30,000
Ms. Shobana Kamineni	Daughter of Dr. Prathap C Reddy and sister of Ms Suneeta Reddy	60,000	3,50,000	4,10,000
Ms. Vineeta Rai	-	1,60,000	3,50,000	5,10,000
Ms. Renu S Karnad	-	80,000	3,50,000	4,30,000
Dr. B Venkataraman	-	2,20,000	3,50,000	5,70,000
Mr. T.S. Narayanasami	-	1,00,000	3,50,000	4,50,000
Mr. S. Regunathan	-	1,60,000	3,50,000	5,10,000
Prof. V.N. Rajasekharan Pillai	-	1,20,000	3,50,000	4,70,000
Mr. Satnam Arora	-	1,60,000	3,50,000	5,10,000
Mr. Deepak Vaidya	-	1,60,000	3,50,000	5,10,000
Dr. Arun Rai	-	80,000	3,50,000	4,30,000
Mr. Vinayak Chatterjee	-	1,00,000	3,50,000	4,50,000

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

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

Executive Directors has any pecuniary relationship or transactions with the Company during the year ended 31st March, 2017. The Company does not have any stock

option scheme.

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

Amount (Rs.)

Name of the Director	Relationship with other Directors	Remuneration paid for the year ended 31 st March, 2017		
		Remuneration		
		Salary	Perquisite	Total
Mr. Jaideep Gupta	-	94,98,165	16,12,353	1,11,10,518

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Company has a Stakeholders Relationship Committee to consider and resolve the grievances of security holders of the Company. As on 31st March, 2017, the Stakeholders Relationship Committee consists of four Directors (including two Independent Directors) viz. Ms. Vineeta Rai, Mr. Jaideep Gupta, Dr. B Venkataraman and Mr. Satnam Arora. Ms. Vineeta Rai is the Chairperson of the Stakeholders Relationship Committee.

The Stakeholders Relationship Committee met twice during the year on 9th December, 2016 and 27th March, 2017.

- Name of the Non-Executive Director heading the Committee:** Ms. Vineeta Rai
- Name and Designation of the Compliance Officer:** Mr. Ajay Kumar Singhal – Vice President cum Company Secretary
- Number of Shareholders Complaints:** The Company has received one hundred nineteen complaints during the year and no complaint was pending at the beginning of the year.
- Numbers not resolved to the satisfaction of shareholders:** All the complaints have been resolved to the satisfaction of the complainants during the year.
- Number of pending complaints as on 31st March, 2017:** None

7. GENERAL BODY MEETINGS

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

Financial Year	Location	Date	Time
2015-16	Sirifort Auditorium Siri Fort Cultural Complex, August Kranti Marg, New Delhi - 110 049	30 th August, 2016	10.30 A.M.
2014-15	FICCI K. K. Birla Auditorium 1, Tansen Marg New Delhi – 110 001	29 th September, 2015	10.30 A.M.

Financial Year	Location	Date	Time
2013-14	FICCI K. K. Birla Auditorium 1, Tansen Marg New Delhi – 110 001	30 th September, 2014	10.30 A.M.

b) Special Resolutions passed in the previous 3 AGMs:-

- Special Resolution was passed at the AGM on 30th August, 2016, for re-appointment of Dr. B. Venkataraman (DIN: 00040114) as an Independent Director of the Company to hold office for two consecutive years effective from 1st April, 2016 to 31st March, 2018, not liable to retire by rotation.
- Special Resolution was passed at AGM on 30th August, 2016, for re-appointment of Prof. V. N. Rajasekharan Pillai (DIN: 02415889) as an Independent Director of the Company to hold office for two consecutive years effective from 1st April, 2016 to 31st March, 2018, not liable to retire by rotation
- Special Resolution was passed at AGM on 30th September, 2014, for altering the Articles of Association of the Company to increase the maximum number of Directors on the Board of the Company to eighteen.
- Special Resolution was passed at AGM on 30th September, 2014, for revision in the borrowing limits of the Company up to a sum of Rs. 225 crores.
- Special Resolution was passed at AGM on 30th September, 2014, for approval of the shareholders for mortgaging the assets of the Company in favour of financial institutions, banks and other lenders for securing loans up to a sum of Rs. 225 crores.
- Special Resolution was passed at AGM on 30th September, 2014, for approval of the shareholders for payment of remuneration to the Non-Executive Directors including Independent Directors of the Company.
- Special Resolution was passed at AGM on 30th September, 2014, for post facto approval of the shareholders for entering into contract for availing Biomedical Engineering Services from M/s. Faber Sindoori Management Services Private Limited.

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

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

8. MEANS OF COMMUNICATION

- Quarterly Results:** Quarterly Results of the Company are published in Financial Express - All Editions and Jansatta (Hindi) - Delhi Edition and are displayed on the Company's website www.apollohospdelhi.com.
- Official News Releases:** The Company's website also displays official news releases.

c) **Presentations made to Institutional Investors or to the Analysts:** No presentation was made to institutional investors or to the analysts by the Company.

9. GENERAL SHAREHOLDER INFORMATION

- a. **Annual General Meeting:** Tuesday, 26th September, 2017, at 11.00 a.m. at Sirifort Auditorium, Siri Fort Cultural Complex, August Kranti Marg, New Delhi - 110 049.
- b. **Financial Year:** 1st April, 2016 to 31st March, 2017
- c. **Date of Book Closure:** From Saturday, 16th September, 2017 to Tuesday, 26th September, 2017 (both days inclusive) for declaration of dividend for the year 2016-17 and Annual General Meeting.

d. **Dividend Payment Date:** On or after 30th September, 2017

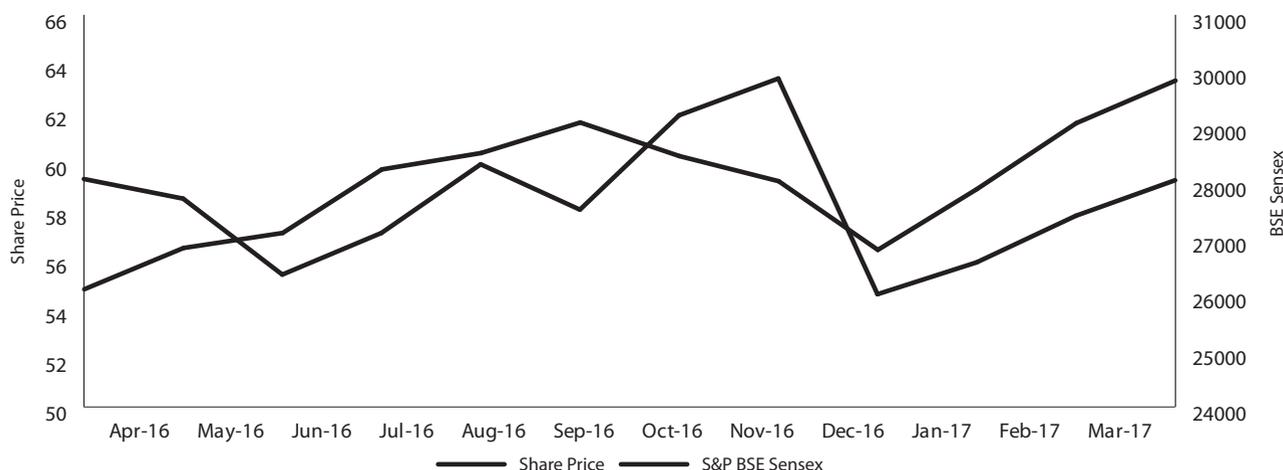
e. **Listing on Stock Exchanges:** BSE Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001 and National Stock Exchange of India Limited (NSE), "Exchange Plaza", C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051. Annual Listing Fee for the year 2017-18 has been paid by the Company to BSE & NSE.

f. **Stock Code:** BSE - 532150, NSE - INDRAMEDCO, Demat ISIN - INE681B01017

g. **Market Price Data:** Monthly High & Low during each month of the financial year 2016-17 at National Stock Exchange (NSE) and BSE Ltd. (BSE) are as under: -

Month	National Stock Exchange			Bombay Stock Exchange		
	Highest (Rs.)	Lowest (Rs.)	Volume (Nos.)	Highest (Rs.)	Lowest (Rs.)	Volume (Nos.)
April, 2016	58.90	51.80	1900193	59.30	51.70	411268
May, 2016	58.40	52.00	2289230	58.50	52.00	340778
June, 2016	55.20	50.30	1938331	55.40	50.15	385905
July, 2016	57.15	52.70	2380804	57.10	53.00	491869
Aug., 2016	59.85	52.75	5642185	59.90	52.50	1105865
Sep., 2016	58.00	51.15	3088228	58.05	51.00	567708
Oct., 2016	61.85	52.25	5716780	61.90	52.25	1361979
Nov., 2016	63.50	48.90	3721886	63.40	45.00	887775
Dec., 2016	54.60	50.45	1773723	54.60	50.25	300782
Jan., 2017	55.70	51.70	1914216	55.90	51.65	363304
Feb., 2017	57.80	54.00	2135677	57.80	53.30	661025
March, 2017	59.20	52.95	2464616	59.25	52.60	734324

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



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

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

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

- k. **Distribution of shareholding as on March 31, 2017:**

Shareholding of shares	Shareholders		Numbers	
	Number	% to total	Numbers	% to total
1 - 500	39245	84.17	5216730	5.69
501 - 1000	3575	7.67	3142504	3.43
1001 - 2000	1645	3.53	2650708	2.89
2001 - 3000	584	1.25	1539408	1.68
3001 - 4000	340	0.73	1234501	1.35
4001 - 5000	306	0.66	1473883	1.61
5001 - 10000	477	1.02	3661559	3.99
10001 & above	454	0.97	72753707	79.36
Total	46626	100.00	91673000	100.00

Shareholding Category as on 31st March, 2017

Category	No. of Shares held	% to total
Indian Promoters	45276700	49.39
Foreign Promoters	1475000	1.61
Mutual Funds	2004158	2.19
Foreign Portfolio Investor	71936	0.08
Financial Institutions / Banks	373784	0.41
Bodies Corporate	12712829	13.87
NRI's/OCB's	2253671	2.45
Indian public	27504922	30.00
Grand Total	91673000	100.00

- l. **Dematerialisation of shares:** About 70% of the Company's paid-up equity share capital has been dematerialised up to 31st March, 2017.

The details of demat of shares as on 31st March, 2017, are as under:-

	No. of Shareholders	No. of Shares	% of capital
NSDL	20256	55128598	60.14
CDSL	10330	8782770	9.58

Requests for dematerialisation of shares are processed and confirmation is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL) within 15 days.

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

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

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

- o. **Hospitals Location:**

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

&

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

- p. **Address for Correspondence:**

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

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

10. OTHER DISCLOSURES

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

During the year ended 31st March, 2017, the Company had not entered into any material transaction with any of its related parties. Accordingly, the disclosure of related party transactions as required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC 2 is not applicable to your Company.

None of the transactions with any of related parties were in conflict with the interests of the Company. Attention of the members is drawn to the disclosure of transactions with related parties set out in Note No. 31N of Financial Statements, forming part of the Annual Report.

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

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

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

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

c. Whistle Blower Policy

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

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

During the year ended 31st March, 2017, no personnel has been denied access to the Chairman of the Audit Committee of the Company.

d. Compliance with mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub - regulation (2) of Regulation 46 of the Listing Regulations.

CEO/CFO CERTIFICATION

The Managing Director and the Chief Financial & Operating Officer of the Company have certified to the Board of Directors, inter alia, the accuracy of financial

statements and adequacy of internal controls for the financial reporting as required under Regulation 17(8) of the Listing Regulations for the year ended 31st March, 2017. A certificate to this effect signed by the Managing Director and the Chief Financial & Operating Officer is annexed herewith.

DISCRETIONARY REQUIREMENTS

A. The Board

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

B. Shareholders Rights

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

C. Modified Opinion in audit report

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

D. Separate posts of Chairman and CEO

The Company has separate Chairman and Managing Director (CEO).

E. Reporting of Internal Auditors

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

For and on behalf of the Board

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

Jaideep Gupta
(DIN: 02647974)
Managing Director

Place: New Delhi
Date: 28th July, 2017

CERTIFICATE

To,

The Members of Indraprastha Medical Corporation Ltd.

I have examined the compliance of conditions of Corporate Governance by M/s Indraprastha Medical Corporation Ltd. (**"the company"**), for the year ended on 31st March, 2017, as stipulated in Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"Listing Regulations"**).

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

In my opinion and to the best of my information and according to the explanations given to me, I certify that the company has complied with the regulations of Corporate Governance as stipulated in the above mentioned Listing Regulations.

I 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.

Place: New Delhi
Dated: July 28, 2017

Baldev Singh Kashtwal
Practising Company Secretary
C.P. No. 3169

CODE OF CONDUCT DECLARATION

To,

The Members of Indraprastha Medical Corporation Ltd.

I hereby declare that all Board Members and Senior Management Personnel have affirmed compliance with the provisions of the Company's Code of Conduct, for the financial year ended 31st March, 2017.

Name : Jaideep Gupta
Designation : Managing Director
Date : 18th July, 2017

CEO-CFO CERTIFICATE

To,

Date: 10th May, 2017

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

Sub: Compliance certificate under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31st March, 2017

Dear Sir(s),

- A. We have reviewed financial statements and the cash flow statement for the year 2016-17 and that to the best of their knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and that there are no deficiencies in the design or operation of such internal controls.
- D. There are no:
- (1) significant changes in internal control over financial reporting during the year;
 - (2) significant changes in accounting policies during the year and
 - (3) instances of significant fraud.

Jaideep Gupta
Managing Director

P. Shivakumar
Chief Financial and Operating Officer

INDEPENDENT AUDITOR'S REPORT

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

REPORT ON THE IND AS FINANCIAL STATEMENTS

We have audited the accompanying Ind AS financial statements of Indraprastha Medical Corporation Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10)

of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

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

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31st March, 2017, its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure -A, which forms a part of this report, a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) in our opinion, proper books of account, as required by law have been kept by the Company

so far, as appears from our examination of such books.

- (c) the Balance Sheet, Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account ;
 - (d) in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
 - (e) on the basis of written representations received from the Directors and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2017 from being appointed as a Director in terms of Section 164(2) of the Companies Act, 2013.
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure- B".
3. As required by Rule 11 of the Companies (Audit and Auditors) Rules, 2014 issued by the Central Government of India in terms of clause (j) of sub-section (3) of section 143 of the Act, in our opinion and to the best of our information and according to the explanation given to us:
- (a) the Company has disclosed the impact of

pending litigations on its financial position in its Ind AS financial statements – Refer Note 31B to the Ind AS financial statement.

- (b) the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- (c) there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- (d) The Company has provided requisite disclosures in the Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. However, as stated in Note 31F to the Ind AS financial statements amounts aggregating to Rs. 1,76,83,500 as represented to us by the Management have been received from transactions which are other than permitted. Such holdings and dealings are in accordance with the books of accounts maintained by the Company.

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

Place: New Delhi
Dated: 26th May, 2017

ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Ind AS financial statements for the year ended 31st March 2017, we report that:

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) According to the information and explanations given to us, the fixed assets of the Company have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification as compared to the book records.
- (c) According to information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.
- ii. Physical verification has been carried out by the Management in respect of inventory at reasonable intervals including as on March 31, 2017. In our opinion the frequency of verification is reasonable. According to the information and explanations given to us, discrepancies noticed on physical verification of inventory as compared to the book records were not material and have been dealt with in the books of account.
- iii. According to the information and explanations given to us and based on such tests which we considered necessary, we report that the company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore the provisions of paragraph (iii) (a), (b) and (c) of the above order are not applicable to the Company.
- iv. According to the information and explanations given to us, the Company has not made any loans, investments, or given any guarantees or provided any security pursuant to the provisions of section 185 and 186 of the Companies Act, 2013. Therefore the provisions of paragraph (iv) of the above order are not applicable to the Company.

- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year under audit. Therefore, directives issued by Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to the company.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the sub-section (1) of section 148 of the Companies Act, specified by the Central Government and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and records of the Company examined by us, in our opinion, the company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Duty of Customs, Value Added Tax, cess and any other statutory dues with the appropriate authorities. We are informed that the provisions of Excise Duty are not applicable to the company. According to the information and explanation given to us, no undisputed amounts payable were outstanding as at March 31, 2017 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs or value added tax which have not been deposited on account of any dispute except as given under:

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

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to any financial institution, bank or Government. The Company does not have any debenture holders.

- ix. In our opinion and according to the information and explanations given to us, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
- x. According to the information and explanations given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year under review.
- xi. According to the information and explanations given to us and based on our examination of records of company, the company has paid / provided for the managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii. According to the information and explanation given to us, the company is not a Nidhi Company. Therefore the provisions of paragraph 3(xii) of the Order are not applicable.
- xiii. According to the information and explanations given to us, and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013. Further the details of the transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us, the company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore the provisions of paragraph 3(xiv) of the Order are not applicable.
- xv. According to information and explanations given to us, and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, provisions of paragraph 3 (xv) of the Order are not applicable.
- xvi. According to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For S.C. Vasudeva & Co.
Chartered Accountants
Firm Reg. No: 000235N
Abhinav Khosla
Partner
M. No. 087010

Place: New Delhi
Dated: 26th May, 2017

ANNEXURE–B TO THE INDEPENDENT AUDITOR’S REPORT

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

We have audited the internal financial controls over financial reporting of **Indraprastha Medical Corporation Limited** (“the Company”) as of 31st March, 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITORS’ RESPONSIBILITY

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that;

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.C. Vasudeva & Co.
Chartered Accountants
Firm Reg. No: 000235N
Abhinav Khosla
Partner
M. No. 087010

Place: New Delhi
Dated: 26th May, 2017

BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Note No.	As at 31 st March, 2017 Rs.	As at 31 st March, 2016 Rs.	As at 1 st April, 2015 Rs.
I. ASSETS				
1. Non-current assets				
(a) Property, Plant and Equipment	1	2,93,89,31,068	2,99,17,14,338	3,02,13,14,300
(a) Capital work-in-progress		-	2,59,92,981	2,54,10,530
(b) Intangible Assets	2	1,83,66,638	1,86,04,953	1,97,47,271
(c) Financial Assets	3	2,78,54,474	2,48,90,226	2,75,59,544
(e) Other non-current Assets	4	1,98,83,635	2,19,12,627	1,70,17,407
Total of Non-current assets		3,00,50,35,815	3,08,31,15,125	3,11,10,49,052
2. Current Assets				
(a) Inventories	5	9,94,87,374	9,55,32,238	9,06,48,111
(b) Financial Assets				
(i) Trade receivables	6	98,31,11,829	84,78,06,499	70,46,91,061
(ii) Cash and cash equivalents	7	2,68,95,389	2,09,20,087	2,55,03,309
(iii) Bank Balances other than (ii) above	8	4,29,85,490	4,22,51,916	3,64,19,278
(iv) Loans	9	36,63,772	37,85,284	37,90,406
(v) Others	10	44,03,89,675	29,22,72,191	27,21,12,557
(c) Current Tax Assets (Net)		8,86,36,207	9,73,70,719	3,29,55,341
(d) Other current assets	11	22,59,13,647	12,19,06,808	11,99,18,125
Total of Current assets		1,91,10,83,383	1,52,18,45,742	1,28,60,38,188
TOTAL OF ASSETS		4,91,61,19,198	4,60,49,60,867	4,39,70,87,240
II. EQUITY AND LIABILITIES				
1. Equity				
(b) Equity Share capital	12	91,67,30,000	91,67,30,000	91,67,30,000
(c) Other Equity	13	1,39,15,47,276	1,32,07,56,828	1,27,72,97,944
Total of Equity		2,30,82,77,276	2,23,74,86,828	2,19,40,27,944
Liabilities				
2. Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	14	-	2,49,99,997	10,72,10,283
(ii) Others	15	2,51,38,963	2,50,60,068	2,04,70,002
(b) Provisions	16	8,70,16,227	6,96,63,517	6,91,00,222
(c) Deferred tax liabilities (Net)	17	30,65,83,138	34,25,97,690	35,09,57,980
Total of Non-current liabilities		41,87,38,328	46,23,21,272	54,77,38,487
3. Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	18	64,81,00,535	44,66,57,969	29,57,57,359
(ii) Trade payables	19	1,00,15,77,660	88,50,90,755	74,55,73,257
(iii) Others	20	32,47,99,783	33,80,30,556	40,84,58,710
(b) Other current liabilities	21	17,83,66,074	20,88,60,884	17,96,17,216
(c) Provisions	22	3,62,59,542	2,65,12,603	2,59,14,267
Total of Current liabilities		2,18,91,03,594	1,90,51,52,767	1,65,53,20,809
TOTAL OF EQUITY AND LIABILITIES		4,91,61,19,198	4,60,49,60,867	4,39,70,87,240
III. Summary of significant accounting policies	29			

The accompanying notes are integral part of the financial statements

As per our separate report of even date attached

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

Abhinav Khosla
Partner
M. No. 87010

Place: New Delhi
Date: 26th May, 2017

Dr. Prathap C. Reddy
(DIN 00003654)

Jaideep Gupta
(DIN 02647974)

P. Shivakumar

Ajay Kumar Singhal

Place: New Delhi
Date: 26th May, 2017

Vice Chairman

Managing Director

Chief Financial and Operating Officer

Vice President Cum Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Note No.	For the Year ended 31 st March, 2017 Rs.	For the Year ended 31 st March, 2016 Rs.
I. Revenue from Operations	23	7,65,71,61,265	7,55,44,88,341
II. Other Income	24	1,59,25,764	2,11,77,283
III. Total Income (I+II)		7,67,30,87,029	7,57,56,65,624
IV. EXPENSES			
Stores & Spares consumed		1,50,21,28,037	1,49,55,68,156
Employee benefits expense	25	1,90,25,70,316	1,81,55,79,022
Finance costs	26	7,90,53,812	7,42,48,671
Depreciation and amortization expense		30,53,20,919	35,32,51,490
Other expenses	27	3,47,58,37,922	3,44,95,58,126
Total expenses (IV)		7,26,49,11,006	7,18,82,05,465
V. Profit before exceptional items and tax (III-IV)		40,81,76,023	38,74,60,159
VI. Exceptional Items		-	-
VII. Profit/(loss) before tax (V-VI)		40,81,76,023	38,74,60,159
VIII. Tax expense:			
(1) Current tax		18,54,11,390	14,99,79,203
(2) Deferred tax		(3,96,88,226)	(68,45,018)
IX. Profit/(loss) for the year (VII-VIII)		26,24,52,859	24,43,25,974
X. Other Comprehensive Income			
(i) Items that will not be reclassified subsequently to profit or loss			
Re-measurement gains (losses) on defined benefit plans		1,06,15,101	(43,78,386)
Income Tax effect (Deferred Tax)		(36,73,674)	15,15,272
		69,41,427	(28,63,114)
XI. Total Comprehensive Income for the year (Comprising Profit (Loss) and Other Comprehensive Income for the year)		26,93,94,286	24,14,62,860
XII. Earnings per equity share			
(1) Basic		2.86	2.67
(2) Diluted		2.86	2.67
XIII. Summary of significant accounting policies	29		
The accompanying notes are integral part of the financial statements			

As per our separate report of even date attached

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

Abhinav Khosla
Partner
M. No. 87010

Place: New Delhi
Date: 26th May, 2017

Dr. Prathap C. Reddy
(DIN 00003654)
Jaideep Gupta
(DIN 02647974)
P. Shivakumar

Ajay Kumar Singhal

Place: New Delhi
Date: 26th May, 2017

Vice Chairman

Managing Director

Chief Financial and Operating Officer

Vice President Cum Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2017

EQUITY SHARE CAPITAL

Particulars	Balance as at 1 st April, 2015		Changes in equity share capital during the year		Balance as at 31 st March, 2016	
	Number	Amount Rs.	Number	Amount Rs.	Number	Amount Rs.
Authorised						
10,00,00,000 Equity Shares of Rs.10/- each	100000000	1,00,00,00,000	-	-	100000000	1,00,00,00,000
Issued, Subscribed and Paid up						
Equity Shares of Rs. 10/- each Fully paid up	91673000	91,67,30,000	-	-	91673000	91,67,30,000

Particulars	Balance as at 1 st April, 2016		Changes in equity share capital during the year		Balance as at 31 st March, 2017	
	Number	Amount Rs.	Number	Amount Rs.	Number	Amount Rs.
Authorised						
10,00,00,000 Equity Shares of Rs.10/- each	100000000	1,00,00,00,000	-	-	100000000	1,00,00,00,000
Issued, Subscribed and Paid up						
Equity Shares of Rs. 10/- each Fully paid up	91673000	91,67,30,000	-	-	91673000	91,67,30,000

OTHER EQUITY

(Amount in Rs.)

Particulars	Reserves & Surplus				Items of Other Comprehensive Income	Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings		
Balance as 1 st April, 2015	-	-	41,75,00,000	85,97,97,944	-	1,27,72,97,944
Total Comprehensive Income for the year	-	-	-	24,43,25,974	(28,63,114)	24,14,62,860
Dividend (including tax on dividend)	-	-	-	(19,80,03,976)	-	(19,80,03,976)
Transfer to General Reserve	-	-	1,00,00,000	(1,00,00,000)	-	-
Balance as at 31st March, 2016	-	-	42,75,00,000	89,61,19,942	(28,63,114)	1,32,07,56,828
Balance as at 1 st April, 2016	-	-	42,75,00,000	89,61,19,942	(28,63,114)	1,32,07,56,828
Total Comprehensive Income for the year	-	-	-	26,24,52,859	69,41,427	26,93,94,286
Dividend (including tax on dividend)	-	-	-	(19,86,03,838)	-	(19,86,03,838)
Balance as at 31st March, 2017	-	-	42,75,00,000	95,99,68,963	40,78,313	1,39,15,47,276

As per our separate report of even date attached

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

Abhinav Khosla
Partner
M. No. 87010

Place: New Delhi
Date: 26th May, 2017

Dr. Prathap C. Reddy
(DIN 00003654)

Jaideep Gupta
(DIN 02647974)

P. Shivakumar

Ajay Kumar Singhal

Place: New Delhi
Date: 26th May, 2017

Vice Chairman

Managing Director

Chief Financial and Operating Officer

Vice President Cum Company Secretary

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Year ended 31 st March, 2017 Rs.	Year ended 31 st March, 2016 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	40,81,76,023	38,74,60,159
Add:		
Depreciation and amortization expense	30,53,20,919	35,32,51,490
Interest expense	4,68,24,931	4,41,15,999
Loss on discarded Property, Plant & Equipment	55,07,386	96,70,800
Deduct:		
Interest received	31,80,753	29,33,857
Profit on Sale of Property, Plant & Equipment	1,77,736	1,42,410
Operating Profit before Working Capital changes	76,24,70,770	79,14,22,181
Adjustments for:		
Trade & Other Receivables	(39,14,73,262)	(17,29,10,307)
Trade payables	13,46,82,973	24,67,10,846
Inventories	(39,55,136)	(48,84,127)
Cash Generated from Operations	50,17,25,345	86,03,38,593
Deduct:		
Interest paid	(4,11,23,296)	(2,38,94,086)
Income tax paid	(17,66,76,878)	(21,37,94,719)
Net Cash from Operating Activities	28,39,25,171	62,26,49,788
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment (Net of sale)	(22,91,38,482)	(32,94,06,188)
Interest received	50,89,411	24,90,493
Net Cash from Investing Activities	(22,40,49,071)	(32,69,15,695)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from current borrowings	1,60,00,00,000	90,00,00,000
Repayment of non-current borrowings	(5,00,00,000)	(18,22,10,288)
Repayment of current borrowings	(1,40,00,00,000)	(80,00,00,000)
Interest paid	(57,01,635)	(2,02,21,913)
Dividend paid (including Tax on Dividend)	(19,81,99,163)	(19,78,85,114)
Net Cash from Financing Activities	(5,39,00,798)	(30,03,17,315)
Net increase in Cash and Cash equivalents	59,75,302	(45,83,222)
Opening Cash and Cash equivalents	2,09,20,087	2,55,03,309
Closing Cash and Cash equivalents	2,68,95,389	2,09,20,087
Components Cash and Cash equivalents		
Cash balance on hand	56,15,499	81,86,989
Balance with Banks	2,12,79,890	1,27,33,098

As per our separate report of even date attached

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

Abhinav Khosla
Partner
M. No. 87010

Place: New Delhi
Date: 26th May, 2017

Dr. Prathap C. Reddy
(DIN 00003654)
Jaideep Gupta
(DIN 02647974)
P. Shivakumar

Ajay Kumar Singhal

Place: New Delhi
Date: 26th May, 2017

Vice Chairman

Managing Director

Chief Financial and Operating Officer

Vice President Cum Company Secretary

NOTES TO FINANCIAL STATEMENTS

(Amount in Rs.)

1. PROPERTY, PLANT & EQUIPMENT

Particulars	Building	Furniture & Fittings	Plant & Machinery	Office Equipment	Medical Equipment	Surgical Instruments	Vehicles	Total
Cost as at 1 st April, 2015	1,77,73,40,367	11,36,74,657	1,10,78,412	11,55,40,175	95,12,88,171	3,40,82,253	1,83,10,265	3,02,13,14,300
Additions	5,70,78,250	2,29,04,258	59,00,858	5,72,88,813	16,34,27,225	1,61,98,831	18,38,472	32,46,36,707
Deletions / Adjusted	-	-	-	(5,62,251)	(1,24,07,120)	-	(95,243)	(1,30,64,614)
Cost at 31 st March, 2016	1,83,44,18,617	13,65,78,915	1,69,79,270	17,22,66,737	1,10,23,08,276	5,02,81,084	2,00,53,494	3,33,28,86,393
Accumulated Depreciation as at 1 st April, 2015	-	-	-	-	-	-	-	-
Depreciation for the year	(12,64,90,591)	(2,02,71,860)	(19,60,643)	(5,63,04,923)	(11,54,32,478)	(1,79,35,897)	(35,02,108)	(34,18,98,500)
Written Back / Adjusted	-	-	-	22,494	6,71,631	-	32,320	7,26,445
Accumulated Depreciation up to 31 st March, 2016	(12,64,90,591)	(2,02,71,860)	(19,60,643)	(5,62,82,429)	(11,47,60,847)	(1,79,35,897)	(34,69,788)	(34,11,72,055)
Net carrying amount as at 31 st March, 2016	1,70,79,28,026	11,63,07,055	1,50,18,627	11,59,84,308	98,75,47,429	3,23,45,187	1,65,83,706	2,99,17,14,338
Particulars	Building	Furniture & Fittings	Plant & Machinery	Office Equipment	Medical Equipment	Surgical Instruments	Vehicles	Total
Cost as at 1 st April, 2016	1,83,44,18,617	13,65,78,915	1,69,79,270	17,22,66,737	1,10,23,08,276	5,02,81,084	2,00,53,494	3,33,28,86,393
Additions	4,46,46,549	73,30,913	30,32,520	5,03,47,117	11,30,57,282	1,98,11,096	57,07,059	24,39,32,536
Deletions / Adjusted	(49,68,455)	-	-	-	(68,20,360)	-	(8,24,092)	(1,26,12,907)
Cost at 31 st March, 2017	1,87,40,96,711	14,39,09,828	2,00,11,790	22,26,13,854	1,20,85,45,198	7,00,92,180	2,49,36,461	3,56,42,06,022
Accumulated Depreciation upto 31 st March, 2016	(12,64,90,591)	(2,02,71,860)	(19,60,643)	(5,62,82,429)	(11,47,60,847)	(1,79,35,897)	(34,69,788)	(34,11,72,055)
Depreciation for the year	(7,31,20,440)	(2,02,54,827)	(17,24,495)	(5,26,40,146)	(12,45,22,555)	(1,45,42,387)	(35,05,752)	(29,03,10,602)
Written Back / Adjusted	29,87,983	-	-	-	25,46,781	-	6,72,939	62,07,703
Accumulated Depreciation up to 31 st March, 2017	(19,66,23,048)	(4,05,26,687)	(36,85,138)	(10,89,22,575)	(23,67,36,621)	(3,24,78,284)	(63,02,601)	(62,52,74,954)
Net carrying amount as at 31 st March, 2017	1,67,74,73,663	10,33,83,141	1,63,26,652	11,36,91,279	97,18,08,577	3,76,13,896	1,86,33,860	2,93,89,31,068

NOTES TO FINANCIAL STATEMENTS

Particulars	As at 31 st March, 2017 Rs.	As at 31 st March, 2016 Rs.	As at 1 st April, 2015 Rs.
2. INTANGIBLE ASSETS			
	Software Licenses	Software Licenses	
Cost as at beginning of the year	2,99,57,943	1,97,47,271	
Additions	1,47,72,002	1,02,10,672	
Disposals	-	-	
Cost at end of the year	4,47,29,945	2,99,57,943	
Cost as at beginning of the year	(1,13,52,990)	-	
Amortization for the year	(1,50,10,317)	(1,13,52,990)	
Disposals	-	-	
Cost at end of the year	(2,63,63,307)	(1,13,52,990)	
Net carrying amount as at end of the year	1,83,66,638	1,86,04,953	
3. FINANCIAL ASSETS			
Financial Assets at amortised cost			
Fixed deposits kept as Margin Money with Bank	31,23,598	-	26,69,318
Security Deposit	2,47,30,876	2,48,90,226	2,48,90,226
	2,78,54,474	2,48,90,226	2,75,59,544
4. OTHER NON-CURRENT ASSETS			
(Considered good)			
Capital Advances	30,68,051	36,55,680	36,92,179
Security Deposits	1,68,15,584	1,82,56,947	1,33,25,228
	1,98,83,635	2,19,12,627	1,70,17,407
5. INVENTORIES			
Stores & spares	7,74,12,301	7,28,41,114	7,14,62,497
Crockery & utensil	25,15,234	17,36,175	10,26,219
Linen	1,95,59,839	2,09,54,949	1,81,59,395
	9,94,87,374	9,55,32,238	9,06,48,111
6. TRADE RECEIVABLES			
Unsecured			
- Considered Good	98,31,11,829	84,78,06,499	70,46,91,061
- Considered Doubtful	10,09,59,666	9,48,06,983	9,04,93,416
Less: Allowances for doubtful receivables	(10,09,59,666)	(9,48,06,983)	(9,04,93,416)
	98,31,11,829	84,78,06,499	70,46,91,061
Includes amount due from related parties (refer note 31N)	3,34,27,402	2,00,52,050	2,30,81,663
7. CASH & CASH EQUIVALENT			
Cash & Cash Equivalent			
Cash balance on hand	56,15,499	81,86,989	95,48,078
Balances with Banks			
- in current accounts	1,37,61,015	54,24,449	97,76,278
- in deposit accounts with maturity upto three months	75,18,875	73,08,649	61,78,953
	2,68,95,389	2,09,20,087	2,55,03,309

NOTES TO FINANCIAL STATEMENTS

Particulars	As at 31 st March, 2017 Rs.	As at 31 st March, 2016 Rs.	As at 1 st April, 2015 Rs.
8. BANK BALANCES OTHER THAN CASH & CASH EQUIVALENT			
Fixed Deposit - Margin Money with Bank	2,24,75,940	2,35,70,679	1,65,95,186
Fixed Deposit others (restricted)	54,96,124	40,72,486	59,34,065
Earmarked Balances - Unpaid dividend Accounts	1,50,13,426	1,46,08,751	1,38,90,027
	4,29,85,490	4,22,51,916	3,64,19,278
9. LOANS			
Financial Assets at amortised cost			
Employee loans	36,63,772	37,85,284	37,90,406
	36,63,772	37,85,284	37,90,406
10. OTHER FINANCIAL ASSETS			
Financial Assets at amortised cost			
Lease Rent Receivable	1,11,17,012	42,79,407	75,00,769
Patient Treatment in Progress (Net of Advances)	9,30,76,444	8,08,12,431	8,73,29,560
Advances recoverable	33,61,96,219	20,71,80,353	17,72,82,228
	44,03,89,675	29,22,72,191	27,21,12,557
11. OTHER CURRENT ASSETS			
(Unsecured ,considered good)			
Advance for expenses	1,37,20,884	1,83,01,356	3,09,81,105
Export Incentives	10,33,56,465	-	98,09,690
Prepaid Expenses	10,88,36,298	10,36,05,452	7,91,27,330
	22,59,13,647	12,19,06,808	11,99,18,125
12. EQUITY SHARE CAPITAL			
Authorised			
10,00,00,000 Equity Shares of Rs.10/- each	100,00,00,000	100,00,00,000	100,00,00,000
	100,00,00,000	100,00,00,000	100,00,00,000
Issued, Subscribed and Paid up	91,67,30,000	91,67,30,000	91,67,30,000
(9,16,73,000 equity shares of Rs. 10/- each fully paid up)	91,67,30,000	91,67,30,000	91,67,30,000

(i) Details of Shareholders holding more than 5% shares in the company.

Name of Shareholder	As at 31 st March, 2017		As at 31 st March, 2016		As at 1 st April, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Government of National Capital Territory of Delhi (Including nominees)	2,38,34,200	26.00%	2,38,34,200	26.00%	2,38,34,200	26.00%
Apollo Hospitals Enterprise Limited	2,01,90,740	22.02%	2,01,90,740	22.02%	2,01,90,740	22.02%
Housing Development Finance Corporation Limited	61,46,897	6.71%	61,46,897	6.71%	90,00,000	9.82%

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

NOTES TO FINANCIAL STATEMENTS

Particulars	As at 31 st March, 2017 Rs.	As at 31 st March, 2016 Rs.	As at 1 st April, 2015 Rs.
(iii) There are no shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.			
(iv) Terms / Rights attached to Equity Shares.			
The company has only one class of Equity Shares having par value of Rs. 10/- per share. Each holder of Equity Shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing General Meeting.			
The Board of Directors have recommended a dividend @ 18.00% (Rs. 1.80/- per share) for the financial year 2016-17.			
In the event of liquidation of the company Equity shareholders will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts.			
(v) There is no holding / ultimate holding company of the company.			

13. OTHER EQUITY

a. General Reserve			
Opening balance	42,75,00,000	41,75,00,000	
Add : Transferred from Statement of Profit and Loss	-	1,00,00,000	
	42,75,00,000	42,75,00,000	
b. Surplus in Statement of Profit and Loss			
Opening balance	89,61,19,942	85,97,97,944	
Add : Surplus for the year	26,24,52,859	24,43,25,974	
Less: Transfer to General Reserve	-	1,00,00,000	
Less: Dividend	16,50,11,400	16,50,11,400	
Less: Tax on Dividend	3,35,92,438	3,29,92,576	
	95,99,68,963	89,61,19,942	
c. Other Comprehensive Income			
Opening balance	(28,63,114)	-	
Add : Re-measurements of Defined Employee Benefits plans	69,41,427	(28,63,114)	
	40,78,313	(28,63,114)	
	1,39,15,47,276	1,32,07,56,828	

14. NON - CURRENT BORROWINGS

Term Loans(Secured Loans)			
Loans from Banks	-	2,49,99,997	7,49,99,997
Loan from others	-	-	3,22,10,286
	-	2,49,99,997	10,72,10,283

Term loans of Rs. 15 Crore and 20 Crore from Hongkong and Shanghai Banking Corporation Limited were taken during the financial year 2013-14 and carry interest @ 9.75% p.a and 10.25% p.a respectively. Loan of Rs. 15 Crore is repayable in 9 quarterly instalments of Rs. 1,66,66,667/- each and loan of Rs 20 Crore is repayable in 16 quarterly instalments of Rs. 1,25,00,000/-, starting from the end of three months from the date of first disbursement. These loans are secured by way of exclusive charge on the plant and machinery and other moveable assets except those financed by other lenders. The last instalment of Rs. 15 Crore loan has been paid in the month of September 2015.

15. OTHER FINANCIAL LIABILITIES

Financial liabilities at amortised cost			
Security Deposits	2,51,38,963	2,50,60,068	2,04,70,002
	2,51,38,963	2,50,60,068	2,04,70,002

NOTES TO FINANCIAL STATEMENTS

Particulars	As at 31 st March, 2017 Rs.	As at 31 st March, 2016 Rs.	As at 1 st April, 2015 Rs.
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16. NON - CURRENT PROVISIONS

Employees benefits:			
Provision for Leave	8,70,16,227	6,96,63,517	6,91,00,222
	8,70,16,227	6,96,63,517	6,91,00,222

17. DEFERRED TAX LIABILITIES (NET)

Deferred tax liability (net) as on date is as follows:			
On account of depreciation	39,59,40,007	39,70,40,449	40,20,39,084
Less: Deferred tax assets arising on account of			
Allowance for doubtful receivables	3,49,40,121	3,28,10,801	3,07,58,712
Provision for Employee benefits and others	5,44,16,748	2,16,31,958	2,03,22,392
Net deferred tax liability	30,65,83,138	34,25,97,690	35,09,57,980

18. CURRENT BORROWINGS

Loan repayable on demand			
From Banks (Secured)	24,81,00,535	24,66,57,969	19,57,57,359
From Others:			
Commercial Paper(unsecured)	40,00,00,000	20,00,00,000	10,00,00,000
	64,81,00,535	44,66,57,969	29,57,57,359

The company has availed cash credit limit of Rs. 15,00,00,000/- from Indusind Bank to meet the working capital requirements at an interest rate of 9.75% p.a. The limit is secured by first pari-passu charge on the entire current assets of the company. Company also have an overdraft limit of Rs. 25,00,00,000/- from ICICI bank at an interest rate of 9.55%, which is secured by first pari passu charge on the current assets of the company. Total utilization of the cash credit /overdraft limits from all the banks at any point cannot exceed Rs. 25,00,00,000/-.

The details of commercial paper outstanding as on 31st March, 2017 are as follows:

- Commercial paper of Rs. 10 Crore each has been subscribed by ICICI Bank Limited at interest rate of 7.85%, 7.25% & 7.40% and with maturity date of 19th April, 2017, 21st April, 2017 & 13th June, 2017 respectively
- Commercial paper of Rs. 10 Crore subscribed by Escorts short Term Debit Fund at interest rate of 7.95% and with maturity date of 24th April, 2017.

19. TRADE PAYABLES

Due to Micro & Small Enterprises	-	-	-
Due to Others:			
For Expenses	76,07,32,707	65,03,70,772	63,94,05,424
For others	24,08,44,953	23,47,19,983	10,61,67,833
	1,00,15,77,660	88,50,90,755	74,55,73,257
Includes amount payable to related parties (refer note 31N)	5,61,80,379	4,46,85,115	6,40,30,770

NOTES TO FINANCIAL STATEMENTS

Particulars	As at 31 st March, 2017 Rs.	As at 31 st March, 2016 Rs.	As at 1 st April, 2015 Rs.
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20. OTHER FINANCIAL LIABILITIES

Financial liabilities at amortised cost			
Current Maturities of non-current debt	2,49,99,997	5,00,00,000	15,00,00,002
Sundry Creditors for capital items	75,53,822	56,43,934	24,66,569
Sundry Creditors for expenses	29,21,91,489	27,96,01,228	25,15,67,198
Others	54,475	27,85,394	44,24,941
	32,47,99,783	33,80,30,556	40,84,58,710

21. OTHER CURRENT LIABILITIES

Advance from patients	10,46,15,284	13,41,64,412	11,98,75,025
Unclaimed Dividend	1,50,13,426	1,46,08,751	1,38,90,027
Statutory Liabilities	5,03,39,867	5,29,56,648	4,10,42,974
Others	83,97,497	71,31,073	48,09,190
	17,83,66,074	20,88,60,884	17,96,17,216

22. CURRENT PROVISIONS

Employees benefits:			
Provision for Leave	1,02,20,864	71,95,136	76,45,596
Provision for Gratuity	2,60,38,678	1,93,17,467	1,82,68,671
	3,62,59,542	2,65,12,603	2,59,14,267

Particulars	For the year ended 31 st March, 2017 Rs.	For the year ended 31 st March, 2016 Rs.
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23. REVENUE FROM OPERATION

Sale of services	7,29,09,07,710	7,32,50,11,516
Other operating revenue		
License fee & commission from licensees	18,82,74,923	15,97,16,051
Chamber rent received from doctors	2,44,05,887	2,44,41,049
Export incentive	12,16,25,580	1,77,72,932
Miscellaneous income	3,19,47,165	2,75,46,793
	7,65,71,61,265	7,55,44,88,341

24. OTHER INCOME

Interest Income	31,80,748	29,33,858
Other Non operating income	1,27,45,016	1,82,43,425
	1,59,25,764	2,11,77,283

25. EMPLOYEE BENEFITS EXPENSE

Salaries and wages	1,74,33,71,812	1,65,25,62,850
Contribution to provident & other funds	10,28,25,456	9,94,95,351
Staff welfare	5,63,73,048	6,35,20,821
	1,90,25,70,316	1,81,55,79,022

NOTES TO FINANCIAL STATEMENTS

Particulars	For the year ended 31 st March, 2017 Rs.	For the year ended 31 st March, 2016 Rs.
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26. FINANCE COSTS

Interest Cost	4,68,24,931	4,41,15,999
Others	3,22,28,881	3,01,32,672
	7,90,53,812	7,42,48,671

27. OTHER EXPENSES

Consultation fees paid to doctors	1,91,45,51,235	1,92,69,30,947
Outside lab investigations	1,05,55,145	98,85,816
Leasehold ground rent	12	12
Power & Fuel	23,09,44,702	25,15,82,157
Lease Rent	4,99,84,726	4,79,67,408
Travelling and Conveyance	9,39,24,728	9,39,48,550
Insurance	1,10,42,459	85,07,214
Directors' sitting fees	22,05,300	24,60,584
Communication	1,77,84,249	1,79,87,589
Printing and stationery	5,74,50,270	4,96,48,474
Advertisement	38,66,90,555	37,27,63,177
Legal and professional charges	5,96,78,450	6,09,14,231
Security charges	3,83,41,091	3,31,96,811
Payment to auditors	19,75,000	17,25,000
Auditors out of pocket expenses	2,10,479	1,49,826
Rates, taxes and licenses	5,08,78,362	5,16,96,697
Corporate social responsibility expenses	1,00,05,856	49,69,579
Loss on Discarded Assets	55,07,386	96,70,800
Service Charges	30,36,71,117	30,36,33,742
Repairs and maintenance		
- Building	6,04,17,829	4,77,84,424
- Plant & Machinery	9,64,04,371	8,21,81,133
- Others	3,74,47,192	3,88,76,143
Miscellaneous expenses	73,06,052	1,47,02,276
Bad debts written off	1,13,54,337	70,21,199
Allowance for doubtful receivables	1,75,07,020	1,13,54,337
	3,47,58,37,922	3,44,95,58,126

28. GENERAL INFORMATION

Indraprastha Medical Corporation Limited ('the Company') is a public Company incorporated in India. The address of its registered office and principal place of business is at Sarita Vihar, Mathura Road, New Delhi, India. The main business of the company is to enhance the quality of life of patients by providing comprehensive, high -quality hospital services on a cost-effective basis. The company has its primary listings on BSE Limited and National Stock Exchange of India Limited.

29. SIGNIFICANT ACCOUNTING POLICIES

A. Basis of preparation of financial statements

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis (except certain Financial Instruments which are measured at fair value and Building, Plant & Medical Equipment, which are recognised at deemed cost on the basis of fair values), the provisions of the Companies Act, 2013 ('Act') (to the extent notified) and guidelines issued by the Securities

NOTES TO FINANCIAL STATEMENTS

and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

B. Statement of compliance

The financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015.

Upto the year ended March 31, 2016, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is 1st April, 2015.

C. Capital Management

The capital includes issued equity capital and other equity reserves attributable to the equity holders of the company. The primary objective of the company's capital management is to maintain optimum capital structure to reduce cost of capital and to maximize the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants which otherwise would permit the banks to immediately call loans and borrowings. In order to maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

D. Use of estimates and Judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

E. Revenue recognition

Healthcare Services

Revenue primarily comprises fees charged for inpatient and outpatient hospital services. Services include charges for accommodation, theatre, medical professional services, equipment, radiology and laboratory. Revenue is recorded and recognised during the period in which the hospital service is provided, based upon the estimated amounts due from patients and/or medical funding entities in respect of services rendered. Unbilled revenue is recorded for the service where the patients are not discharged and invoice is not raised for the service.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Export Incentive

Under the "Served from India Scheme" and "Service Export from India Scheme" introduced by Government of India, an exporter of service is entitled to export benefits on foreign currency earned. The revenue in respect of export benefits is recognized on the basis of the foreign exchange earned at the rate at which the said entitlement accrues to the extent there is reasonable assurance as to the amount of consideration that would be derived and as to its ultimate collection.

Rental income

The Company's policy for recognition of revenue from operating leases is described in note F below.

NOTES TO FINANCIAL STATEMENTS

F. Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the period in which such benefits accrue.

The Company as lessee

Rental expense from operating leases is recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

G. Borrowings and Borrowing costs

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest rate method. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

H. Cash flow statement

The Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity period of three months or less from the balance sheet date, which are subject to an insignificant risk of changes in value.

The cash flow statement is prepared in accordance with the Indian Accounting Standard (Ind AS) - 7 "Statement of Cash flows" using the indirect method for operating activities.

I. Employee benefits

Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost and net interest cost is recognised in statement of profit and loss.

Short-term employee benefits

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

Long-term employee benefits

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

NOTES TO FINANCIAL STATEMENTS

J. Taxation

Income tax expense represents the sum of the current tax and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

K. Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any.

Depreciation is provided for property, plant and equipment so as to write off the cost over their estimated useful lives based on evaluation. The estimated useful lives and residual value are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Based on technical evaluation, the management believes that its estimates of useful lives as given below best represent the period over which management expects to use these assets.

If significant parts of an item of property, plant & equipment have different useful life, then they are accounted for as separate items (major components) of property, plant & equipment.

The estimated useful lives are as mentioned below:

Type of Asset	Method	Useful Lives
Buildings (Leasehold)	Straight Line	Over the period of Lease or Estimated useful life, which ever is lower
Furniture & Fittings	Straight Line	10 Years
Plant and Medical Equipment	Straight Line	13 - 15 Years
Office Equipment	Straight Line	3 - 6 Years
Surgical Instruments	Straight Line	3 Years
Vehicles	Straight Line	8 Years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit and loss.

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

NOTES TO FINANCIAL STATEMENTS

For transition to Ind AS, the company has elected to adopt fair value of Building, Plant and Medical Equipment recognised as of April 1, 2015 as the deemed cost as of the transition date. The resulting adjustments have been directly recognised in retained earnings.

L. Intangible assets

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets consist of software licences which are amortised over license period which equates the useful life of 3 years on a straight line basis.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

M. Impairment of assets

Non-financial assets

Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

Financial assets

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

N. Inventories

- (i) Inventories are valued at cost. Crockery and utensils are valued at cost and are subject to 1/5 write off. In the absence of any further estimated costs of completion and estimated costs necessary to make the sale, the Net realisable value is not applicable.
- (ii) The cost in respect of the items constituting the inventories has been computed on FIFO basis.

O. Earnings per share

Basic earnings per share are computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The Company did not have any potentially dilutive securities in any of the periods presented.

P. Foreign currency

The functional currency of the company is Indian rupee. These financial statements are presented in Indian rupees. The foreign currency transactions are recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

The foreign currency monetary items are translated using the closing rate at the end of each reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in statement of profit and loss in the period in which they arise.

NOTES TO FINANCIAL STATEMENTS

Q. Provisions, contingent liabilities and contingent assets

A provision is recognised when the Company has a present obligation as a result of past event and it is probable than an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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

R. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial Recognition and measurement

On initial recognition, all the financial assets and liabilities are recognized at their fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Subsequent measurement

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories is subsequently measured at fair value through profit or loss.

(iv) Financial liabilities

The financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short-term maturity of these instruments.

Fair value measurement of financial instruments

The fair value of financial instruments is determined using the valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Based on the three level fair value hierarchy, the methods used to determine the fair value of financial assets and liabilities include quoted market price, discounted cash flow analysis and valuation certified by the external valuer.

In case of financial instruments where the carrying amount approximates fair value due to the short maturity of those instruments, carrying amount is considered as fair value.

Derecognition of financial instrument

A financial asset is derecognized when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability is derecognized when the obligation specified in the contract is discharged or cancelled or expired.

Equity instruments

Equity shares issued by the company are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

NOTES TO FINANCIAL STATEMENTS

30. FIRST TIME ADOPTION OF IND AS

This financial statement is the first financial statement that has been prepared in accordance with Ind AS together with the comparative period data as at and for the year ended 31st March 2016, as described in the summary of significant accounting policies. The transition to IND AS has been carried out in accordance with Ind AS 101 - First time adoption of Indian Accounting Standards with 1st April 2015 as the transition date.

This note explains the exemptions availed by the company on first time adoption of Ind AS and the principal adjustments made by the Company in restating its previous GAAP financial statements as at 1st April 2015 and financial statements as at and for the year ended 31st March 2016 in accordance with Ind AS 101.

Exemption in accordance with Ind-AS 101 (First Time Adoption of Indian Accounting Standards)

- For transition to Ind AS, the company has elected to adopt fair value of Building, Plant and Medical Equipment recognised as of April 1, 2015 as the deemed cost as of the transition date. The resulting adjustments have been directly recognised in retained earnings.
- The Company has availed the exemption of fair value measurement of financial assets or liabilities at initial recognition and accordingly has applied fair value measurement of financial assets or liabilities at initial recognition prospectively to transactions entered into on or after 01st April 2015.
- The estimates at 1st April 2015 and at 31st March, 2016 are consistent with those made for the same dates in accordance with previous GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items, which, under previous GAAP did not require estimation:
 - Fair values of Financial Assets & Financial Liabilities
 - Impairment of financial assets based on expected credit loss model

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions as at 1st April, 2015 and 31st March, 2016.

Reconciliations between Previous GAAP and Ind AS

(i) Equity reconciliation (Amount in Rs.)

Particulars	As at 31 st March, 2016	As at 1 st April, 2015
As reported under previous GAAP	2,03,13,65,706	1,94,76,25,397
Dividend (including tax on dividend)	19,86,03,838	19,80,03,977
Amortization of Processing Charges on Term Loan	-	11,23,043
Expected Credit Loss	(7,27,98,586)	(7,27,98,586)
Fair Valuation of Property, Plant & Equipment	14,49,95,598	14,49,95,598
Additional Depreciation on Fair Valuation	(6,95,80,222)	-
Other Adjustments	88,79,903	-
Deferred Tax Adjustments	(39,79,409)	(2,49,21,485)
As reported under Ind AS	2,23,74,86,828	2,194,027,944

(ii) Total Comprehensive income reconciliation (Amount in Rs.)

Particulars	For the year ended 31 st March, 2016
Net Profit under Previous GAAP	28,23,44,147
Additional Depreciation on Fair Valuation	(6,95,80,222)
Employee Benefits	43,78,386
Amortization of Processing Charges on Term Loan	(11,23,043)
Other Adjustments	88,79,903
Deferred Tax Adjustments	1,94,26,803
Net Profit under Ind AS	24,43,25,974
Other comprehensive income	(28,63,114)
Net Profit under Ind AS	24,14,62,860

NOTES TO FINANCIAL STATEMENTS

Notes to the reconciliation of equity as at 1st April 2015 and 31st March 2016 and Total comprehensive income for the year ended 31st March 2016

a) **Borrowings**

Under previous GAAP, transaction costs incurred in connection with borrowings are amortised upfront and charged to profit or loss for the period. Under Ind AS, transaction costs are included in the initial recognition amount of financial liability and charged to profit or loss using the effective interest method. Therefore, borrowings as at 1st April 2015 have been reduced with the unamortized amount of processing charges of Rs. 11,23,043/- with corresponding adjustment in retained earnings.

b) **Dividend (including dividend tax)**

Under Ind AS, dividend to holders of equity instruments is recognised as a liability in the period in which the obligation to pay is established. Under Previous GAAP, dividend payable is recorded as a liability in the period to which it relates. This has resulted in an increase in equity by Rs. 19,86,03,838/- and Rs. 19,80,03,977/- as at 31st March, 2016 and 1st April, 2015 respectively.

c) **Employee benefits**

Under previous GAAP, actuarial gains and losses were recognised in the statement of profit and loss. Under Ind AS, the actuarial gains and losses form part of re-measurement of net defined benefit liability / asset which is recognised in other comprehensive income in the respective periods. This difference has resulted in increase in net profit of Rs. 28,63,114/- for the year ended 31st March, 2016. However, the same does not result in difference in equity or total comprehensive income.

d) **Fair Valuation of Property, Plant & Equipment**

For transition to Ind AS, the company has elected to adopt fair value of Building, Plant and Medical Equipment recognised as of 1st April, 2015 as the deemed cost as of the transition date. The resulting adjustments of Rs. 12,27,35,988/- on building and Rs. 2,22,59,609/- on Medical Equipment have been directly recognised in retained earnings.

e) **Expected Credit Loss (ECL)**

Under Ind AS, loss allowance for trade receivables is measured at an amount equal to lifetime expected credit loss. Accordingly, as on transition date, expected credit loss of Rs. 7,27,98,586/- has been recognised.

f) **Surgical Instruments**

Under previous GAAP, Surgical Instruments were classified as Inventories. Under Ind - AS, such instruments has been classified as Property, Plant & Equipment based on definition specified in Ind AS 16.

g) **Deferred Tax adjustments**

Tax adjustments include deferred tax impact on account of differences between Previous GAAP and Ind AS.

31. NOTES ON ACCOUNTS

A. Estimated amount of contracts remaining to be executed on capital account and not provided for is Rs. 3,45,46,278/- (31.03.2016 : Rs. 3,84,58,448/-, 01.04.2015 : 2,94,25,075/-).

B. Contingent Liability

i) Letters of credit / Bank guarantees outstanding on account of stores / spares and medical equipment amounting to Rs. 11,32,73,995/- (31.03.2016 : Rs. 1,10,52,525/-, 01.04.2015 : Rs. 4,77,32,588/-).

(Amount in Rs.)

ii)		31.03.2017	31.03.2016	01.04.2015
	In respect of:			
	a) Service Tax	2,76,13,630	2,76,13,630	2,76,13,630
	b) Others	1,61,59,538	1,18,86,033	1,18,86,033

C. Under the terms of the agreement between the Government of NCT of Delhi and the company, the Hospital project of the company has been put up on the land belonging to Government of NCT of Delhi. The Government of NCT of Delhi is committed to meet the expenditure to the extent of Rs. 15,47,80,000/- out of IMCL Building fund account (funds earmarked for the period) together with the interest thereon for construction of definite and designated buildings while the balance amount of the cost of the building will be borne by the Company. As at 31st March, 2017, the aforesaid fund, together with interest thereon amounting to Rs. 19,23,57,946/- have been utilized towards progress payments to contractors, advances to contractors, payments for materials, etc.

NOTES TO FINANCIAL STATEMENTS

The ownership of the building between Government of NCT of Delhi and the company will be decided at a future date keeping in view the lease agreement.

- D. On a Public Interest Litigation (PIL) regarding free treatment in the hospital the Hon'ble Delhi High Court vide its order dated 22nd September, 2009 has held that free treatment provided by the hospital as per the terms of lease deed with Government of National Capital Territory of Delhi shall be inclusive of medicines and consumables. In response to the said order the company filed a Special Leave Petition in the Hon'ble Supreme Court for appropriate directions with a prayer to stay the judgment of the Hon'ble Delhi high court. The Hon'ble Supreme Court of India has admitted the Special Leave Petition and passed an interim order on 30.11.2009. In pursuance of the interim order, the Hospital is charging for medicines & medical consumables from patients referred by the Govt. of Delhi for free treatment in the Hospital. As the matter is sub judice, the financial impact in the matter can be quantified only upon a decision by the Hon'ble Supreme Court of India.

E. Employee benefits

Defined benefit plan

Gratuity

The Company provides to the eligible employees, defined benefit plans in the form of gratuity. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days' salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service.

The following table sets out the details of the defined benefit retirement plans and the amounts recognised in the financial statements:

	(Amount in Rs.)	
	2016-17	2015-16
i) Change in Present Benefit Obligation (PBO)		
Present value of obligation as at the beginning of the year	13,58,43,495	12,02,16,675
Interest Cost	1,08,13,142	96,53,399
Service Cost	1,57,40,719	1,34,72,107
Benefits Paid	(1,07,59,855)	(92,28,943)
Total Actuarial (Gain)/Loss on Obligation	(36,96,058)	17,30,257
Present value of obligation as at the End of the year	14,79,41,443	13,58,43,495
ii) Change in plan assets		
Fair value of plan assets at the beginning of the year	11,64,72,376	10,19,48,004
Expected return on plan assets	92,71,201	81,86,425
Actuarial gain / (loss) on plan assets	69,19,043	(26,48,129)
Employer contribution	-	1,82,68,671
Benefits paid	(1,07,59,855)	(92,28,943)
Fair value of plan assets at the end of the year	12,19,02,765	11,65,26,028
iii) Balance Sheet and related analyses		
Present Value of the obligation at year end	14,79,41,443	13,58,43,495
Fair value of plan assets	12,19,02,765	11,65,26,028
Unfunded Liability/provision in Balance Sheet	(2,60,38,678)	(1,93,17,467)
Unfunded liability recognized in Balance Sheet	(2,60,38,678)	(1,93,17,467)
iv) The amounts recognized in the income statement		
Service Cost	1,57,40,719	1,34,72,107
Net Interest Cost	1,08,13,142	96,53,399
Expected return on plan assets	(92,71,201)	(81,86,425)
Expense recognized in the Income Statement	1,72,82,660	1,49,39,081
v) Other Comprehensive Income (OCI)		
Net cumulative unrecognized actuarial gain/(loss) opening	-	-
Actuarial gain / (loss) for the year on PBO	36,96,058	(17,30,257)
Actuarial gain / (loss) for the year on Asset	69,19,043	(26,48,129)
Unrecognized actuarial gain/(loss) at the end of the year	1,06,15,101	(43,78,386)

NOTES TO FINANCIAL STATEMENTS

(Amount in Rs.)

	2016-17	2015-16
vi) Actuarial (Gain)/Loss on Obligation		
Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	(18,38,577)	-
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	1,49,62,614	8,20,488
Actuarial (Gain)/Loss on arising from Experience Adjustment	(1,68,20,095)	9,09,769
vii) Major categories of plan assets (as percentage of total plan assets)		
Government of India Securities	0%	0%
State Government securities	0%	0%
High Quality Corporate Bonds	0%	0%
Equity Shares of listed companies	0%	0%
Property	0%	0%
Special Deposit Scheme	0%	0%
Funds Managed by Insurer	100%	100%
Bank Balance	0%	0%
	100%	100%
viii) Net periodic gratuity cost, included in employee cost consists of the following components:		
Current Service Cost	1,57,40,719	1,34,72,107
Interest Cost on Defined Benefit Obligation	10,813,142	96,53,399
	2,65,53,861	2,31,25,506
ix) Sensitivity Analysis of the defined benefit obligation		
a) Impact of the change in discount rate		
Present Value of Obligation at the end of the period	14,79,41,443	
Impact due to increase of 0.50 %	(72,14,690)	
Impact due to decrease of 0.50 %	78,25,743	
b) Impact of the change in salary increase		
Present Value of Obligation at the end of the period	14,79,41,443	
Impact due to increase of 0.50 %	79,29,616	
Impact due to decrease of 0.50 %	(73,69,649)	
x) Maturity Profile of Defined Benefit Obligation		
April 2017- March 2018	1,44,99,713	
April 2018- March 2019	22,04,630	
April 2019- March 2020	36,34,710	
April 2020- March 2021	43,87,879	
April 2021- March 2022	38,15,193	
April 2022- March 2023	73,98,288	
April 2023 onwards	11,20,01,030	
xi) The assumptions used in accounting for the defined benefit plan are set out below:		
	31-Mar-17	31-Mar-16
Discount Rate	7.35%	7.96%
Future Salary Increase	5.50%	5.00%
Retirement Age	58 years	58 years
Method used	Projected unit Credit Method	Projected unit Credit Method
Defined contribution plans		
The company's contribution to provident fund, pension fund and ESI scheme recognised as expense for the year are as under:		
	2016-17	2015-16
- Contribution to Provident fund	4,82,27,823	4,55,09,701
- Contribution to Pension fund	3,08,19,923	3,51,75,100
- Contribution to ESI	30,24,339	14,85,320

NOTES TO FINANCIAL STATEMENTS

F. Specified Bank Notes (SBN's)

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated 31st March, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs	ODNs	Total
Closing cash in hand as on 8 th November, 2016	3,62,46,000	7,71,571	3,70,17,571
(+) Permitted receipts *	1,76,83,500	9,61,61,172	11,38,44,672
(-) Permitted payments	-	2,75,51,340	2,75,51,340
(-) Amounts Deposited in Banks	5,39,29,500	4,75,65,145	10,14,94,645
Closing cash in hand as on 30 th December, 2016	-	2,18,16,258	2,18,16,258

* Pertains to amount received from patients undergoing treatment at hospital on 8th November 2016 and deposited in the bank account of the company on behalf of patients. These amounts were accepted since the patients were unable to arrange the money for alternate bank notes at short notice to pay for medical treatment at the hospital.

G. Financial Risk Management

The principal financial assets of the Company include loans, trade and other receivables, and cash and bank balances that derive directly from its operations. The principal financial liabilities of the company include loans and borrowings, trade and other payables and the main purpose of these financial liabilities is to finance the day to day operations of the company.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and advises on financial risks and the appropriate financial risk governance framework for the Company. The risks which the company is exposed to and policies and framework adopted by the company to manage these risks are explained as under:

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Company is exposed to interest rate risk as its Market risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

As the Company has no significant interest-bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates, which are included in interest bearing loans and borrowings in these financial statements. The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

At the reporting date the interest rate profile of the Company's interest bearing financial instrument is at its fair value:

Particulars	Carrying Amount (Rs.)		
	As at 31 st March 2017	As at 31 st March 2016	As at 1 st April 2015
<u>Fixed rate instruments</u>			
Long term borrowings	-	2,49,99,997	10,72,10,283
Current maturities of long term debt	2,49,99,997	5,00,00,000	15,00,00,002
<u>Variable rate instruments</u>			
Short term borrowings	64,81,00,535	44,66,57,969	29,57,57,359

NOTES TO FINANCIAL STATEMENTS

Liquidity Risk

The financial liabilities of the company include loans and borrowings, trade and other payables. The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations.

The below is the detail of contractual maturities of the financial liabilities of the company at the end of each reporting period:

Particulars	As at 31 st March 2017	As at 31 st March 2016	As at 1 st April 2015
<u>Borrowings:</u>			
0-1 years	67,31,00,535	49,66,57,969	44,57,57,359
More than 1 years	-	2,49,99,997	10,72,10,283
<u>Trade Payables:</u>			
0-1 years	1,00,15,77,660	88,50,90,755	74,55,73,257
More than 1 years	-	-	-
<u>Other Financial liabilities:</u>			
0-1 years	29,97,99,786	28,80,30,556	25,84,58,708
More than 1 years	2,51,38,963	2,50,60,068	2,04,70,002

Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The exposure to the credit risk at the reporting date is primarily from trade receivables which are typically unsecured. Majority of the company's transactions are earned in cash or cash equivalents. The trade receivables comprise mainly of receivables from Insurance Companies, Corporate customers and Government Undertakings. The Insurance Companies are required to maintain minimum reserve levels and the Corporate Customers are enterprises with high credit ratings. Accordingly, the company's exposure to credit risk in relation to trade receivables is low.

The company assesses the creditworthiness of the customers internally to whom services are rendered on credit terms in the normal course of business. The credit limit of each customer is defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

H. Financial Instruments by category

The carrying value and fair value of financial instruments by categories as of 31st March, 2017 (Amount in Rs.)

Particulars	FVTPL	FVTOCI	Amortised Cost	Carrying Cost
<u>Assets:</u>				
Fixed deposits being Margin Money with Bank	-	-	31,23,598	31,23,598
Security Deposit	-	-	2,47,30,876	2,47,30,876
Trade Receivables	-	-	98,31,11,829	98,31,11,829
Cash & Cash Equivalent	-	-	2,68,95,389	2,68,95,389
Bank Balances other than Cash & Cash equivalent	-	-	4,29,85,490	4,29,85,490
Loans	-	-	36,63,772	36,63,772
Lease Rent Receivable	-	-	1,11,17,012	1,11,17,012
Patient Treatment in Progress (Net of Advances)	-	-	9,30,76,444	9,30,76,444
Advances recoverable	-	-	33,61,96,219	33,61,96,219

NOTES TO FINANCIAL STATEMENTS

Particulars	FVTPL	FVTOCI	Amortised Cost	Carrying Cost
Liabilities:				
Non - Current Borrowings	-	-	-	-
Security Deposits	-	-	2,51,38,963	2,51,38,963
Current Borrowings	-	-	64,81,00,535	64,81,00,535
Trade Payables	-	-	1,00,15,77,660	1,00,15,77,660
Other Financial liabilities	-	-	32,47,99,783	32,47,99,783

The carrying value and fair value of financial instruments by categories as of 31st March, 2016 (Amount in Rs.)

Particulars	FVTPL	FVTOCI	Amortised Cost	Carrying Cost
Assets:				
Fixed deposits being Margin Money with Bank	-	-	-	-
Security Deposit	-	-	2,48,90,226	2,48,90,226
Trade Receivables	-	-	84,78,06,499	84,78,06,499
Cash & Cash Equivalent	-	-	2,09,20,087	2,09,20,087
Bank Balances other than Cash & Cash equivalent	-	-	4,22,51,916	4,22,51,916
Loans	-	-	37,85,284	37,85,284
Lease Rent Receivable	-	-	42,79,407	42,79,407
Patient Treatment in Progress (Net of Advances)	-	-	8,08,12,431	8,08,12,431
Advances recoverable	-	-	20,71,80,353	20,71,80,353
Liabilities:				
Non - Current Borrowings	-	-	2,49,99,997	2,49,99,997
Security Deposits	-	-	2,50,60,068	2,50,60,068
Current Borrowings	-	-	44,66,57,969	44,66,57,969
Trade Payables	-	-	88,50,90,755	88,50,90,755
Other Financial liabilities	-	-	33,80,30,556	33,80,30,556

The carrying value and fair value of financial instruments by categories as of 1st April, 2015 (Amount in Rs.)

Particulars	FVTPL	FVTOCI	Amortised Cost	Carrying Cost
Assets:				
Fixed deposits being Margin Money with Bank	-	-	26,69,319	26,69,319
Security Deposit	-	-	2,48,90,226	2,48,90,226
Trade Receivables	-	-	70,46,91,061	70,46,91,061
Cash & Cash Equivalent	-	-	2,55,03,309	2,55,03,309
Bank Balances other than Cash & Cash equivalent	-	-	3,64,19,277	3,64,19,277
Loans	-	-	37,90,406	37,90,406
Lease Rent Receivable	-	-	75,00,769	75,00,769
Patient Treatment in Progress (Net of Advances)	-	-	8,73,29,560	8,73,29,560
Advances recoverable	-	-	17,72,82,228	17,72,82,228
Liabilities:				
Non - Current Borrowings	-	-	10,72,10,283	10,72,10,283
Security Deposits	-	-	2,04,70,002	2,04,70,002
Current Borrowings	-	-	29,57,57,359	29,57,57,359
Trade Payables	-	-	74,55,73,257	74,55,73,257
Other Financial liabilities	-	-	40,84,58,710	40,84,58,710

* FVTPL - Fair value through profit and loss, FVTOCI - Fair value through other comprehensive income.

NOTES TO FINANCIAL STATEMENTS

- I. Travelling and conveyance expenses include Rs. 24,41,650 /- (Previous year Rs. 34,43,766/-) on account of Directors' travelling.
- J. The Basic earning per share (EPS) disclosed in the Statement of Profit and Loss has been calculated by dividing the net profit for the year ended 31st March, 2017 attributable to equity shareholders by the weighted average number of equity shares outstanding during the said financial year. The net profit attributable to equity share holders is Rs. 26,24,52,861/- (Previous Year Rs. 24,43,25,974/-) and the weighted average number of equity share is 9,16,73,000 (Previous Year 9,16,73,000) for this purpose.
- K. There is no amount due to Micro, Small and Medium Enterprises for the year ended 31st March, 2017 (31.03.2016: Rs. Nil, 01.04.2015 : Nil). The information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. Further no interest has been paid during the year and payable as on 31st March 2017 as well as 31st March 2016 to such parties.
- L. Property, Plant & Equipment includes expenditure amounting to Rs. 7,74,89,775/- (31.03.2016 : Rs. 7,74,89,775/-, 01.04.2015 : Rs. 7,74,89,775/-) on building in connection with setting up 57 bedded hospital at Noida (U.P.). The hospital has been set up on land taken on lease by SABCO Medicare (P) Limited from Noida Authority. The rights of the lease deed has been acquired through an assignment deed in favour of the company from Apollo Hospital Enterprises Limited who are the Sub-lessee. Depreciation on such building has been charged over the period of lease.
- M. In accordance with Ind AS - 36 on Impairment of Assets, the company has assessed whether any indications with regard to impairment of any assets exists as on the Balance Sheet date. Based on such assessment, it has been ascertained that there are no such indications and thereby no formal estimate of the recoverable amount has been made.

N. Related party disclosures

(Amount in 1Rs.)

Name	Relationship	Nature of Transactions	31 st March, 2017	31 st March, 2016
Apollo Hospitals Enterprise Limited	Enterprise in respect of which the company is an associate	Pharmacy Consumables	15,40,89,528	16,46,43,798
		License Fees	1,20,00,000	1,16,72,820
		Commission on Pharmacy Sales	12,81,14,408	10,01,85,585
		Reimbursement of Expenses	69,33,749	95,76,070
		Account Payable	3,62,89,113	3,20,27,729
Dishnet Wireless Limited	Enterprise over which Directors are able to exercise significant influence	Purchase of services	24,91,648	23,32,121
		Account Payable	-	-
Faber Sindoori Management Services (P) Limited		Purchase of services	6,18,85,503	5,78,13,258
		Account Payable	1,56,18,351	88,12,270
Family Health Plan Limited		Sale of Services	5,65,34,680	5,10,64,269
		Account Receivable	99,16,053	1,04,99,897
		Purchase of services	27,58,000	27,34,440
Apollo Sugar Clinics Limited		Account Payable	14,36,832	10,45,000
		Purchase of services	-	2,46,750
Sapien Biosciences Private Limited		Account Payable	-	-
		Share of revenue	1,14,77,739	1,20,51,393
Alliance Dental Care Limited		Account Payable	28,36,083	28,00,116
		Medical Health Insurance premium	3,75,89,301	3,57,11,653
Apollo Munich Health Insurance Company Limited		Sale of Services	14,11,82,915	11,64,87,702
		Account Receivable	2,35,11,349	95,52,153
		Remuneration Paid	1,11,10,518	91,92,655
Managing Director	Key Management	Remuneration Paid	1,07,66,494	1,03,83,735
Chief Financial & Operating Officer	Personnel	Remuneration Paid	1,05,84,864	98,22,145
Vice President cum Company Secretary		Sitting fees	22,05,300	24,60,584
Non Executive Directors	Directors	Commission	42,35,189	43,31,952

- O. Pursuant to sub section (5) of section 135 of the Companies Act, 2013, the Company was required to spend Rs. 98,79,450/- (Previous Year Rs. 99,53,284/-) in respect of its "Corporate Social Responsibility Policy (CSR Policy)" on eligible activities. During the financial year, the company has spent Rs. 1,00,05,856 /- (Previous Year Rs. 49,69,579/-) on such eligible activities. The said amount stands debited under the head "other expenses"

NOTES TO FINANCIAL STATEMENTS

	2016-17 Amount in Rs.	2015-16 Amount in Rs.
P. Earnings in Foreign Currency		
On account of Hospital Revenue	1,25,75,54,334	1,04,08,63,155
Q. Expenditure incurred in Foreign Currency		
On account of travel	2,24,24,041	2,39,13,524
On account of other matters	8,12,56,388	7,79,11,376
Outflow of Foreign Currency:		
On account of remittance of dividend	38,92,988	38,92,988
For financial year	2015-16	2014-15
Number of non-resident shareholders	23	23
Number of shares held by them	21,62,771	21,62,771
R. Value of Imports on CIF basis		
Capital Goods	8,70,22,130	13,89,65,387
Stores & Spares	58,37,652	2,12,59,712
S. Payment to Auditors		
As Statutory Auditor	18,50,000	16,00,000
For Taxation matters	1,25,000	1,25,000
Other services	-	-
Reimbursement of Expenses	2,10,479	1,49,826
Total	21,85,479	18,74,826

T. Stores & Spares Consumed

Particulars	2016-17		2015-16	
	Rs.	%	Rs.	%
Imported	67,39,107	0.45%	2,46,96,982	1.62%
Indigenous	1,49,53,88,930	99.55%	1,47,08,71,174	98.38%
Total	1,50,21,28,037	100.00%	1,49,55,68,156	100.00%

U. The company is engaged in the healthcare business, which in context of Ind AS 108 issued by the Institute of Chartered Accountants of India is considered the only business segment.

V. Income Taxes

(a) Current tax includes Rs. 1,11,82,696/- (Previous year : Rs. 8,16,952/-) pertaining to earlier years.

(b) Reconciliation of Deferred tax liabilities (net): (Amount in Rs.)

Particulars	As at	As at	As at
	31 st March 2017	31 st March 2016	1 st April 2015
Balance at the beginning of the year	34,25,97,690	35,09,57,980	32,60,36,495
Deferred tax (income)/expenses during the year recognized in Statement of Profit and loss	(39688226)	(6845018)	-
Deferred tax (income)/expenses during the year recognized in Other Comprehensive income	36,73,674	(1515272)	-
Deferred tax (income)/expenses during the year recognized directly in equity	-	-	2,49,21,485
Balance at the end of the year	30,65,83,138	34,25,97,690	35,09,57,980

NOTES TO FINANCIAL STATEMENTS

(c) A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the profit before taxes is summarized as below:

Particulars	For the year ended 31 st March 2017	For the year ended 31 st March 2016
Accounting profit before tax	41,87,91,124	38,30,81,773
Applicable tax rates	34.608%	34.608%
Computed expected tax expense	14,49,35,232	13,25,76,940
Effect of Non-deductible expenses	44,61,606	90,41,973
Tax expense	14,93,96,838	14,16,18,913

W. The Previous GAAP figures have been reclassified to confirm to presentation requirements of Schedule III applicable to a company whose financial statements are required to be drawn up in compliance of the Companies (Indian Accounting Standards) Rules, 2015.

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

As per our separate report of even date attached

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

Dr. Prathap C. Reddy
(DIN 00003654)

Vice Chairman

Jaideep Gupta
(DIN 02647974)

Managing Director

Abhinav Khosla
Partner
M. No. 87010

P. Shivakumar

Chief Financial and Operating Officer

Ajay Kumar Singhal

Vice President Cum Company Secretary

Place: New Delhi
Date: 26th May, 2017

Place: New Delhi
Date: 26th May, 2017

ROUTE MAP

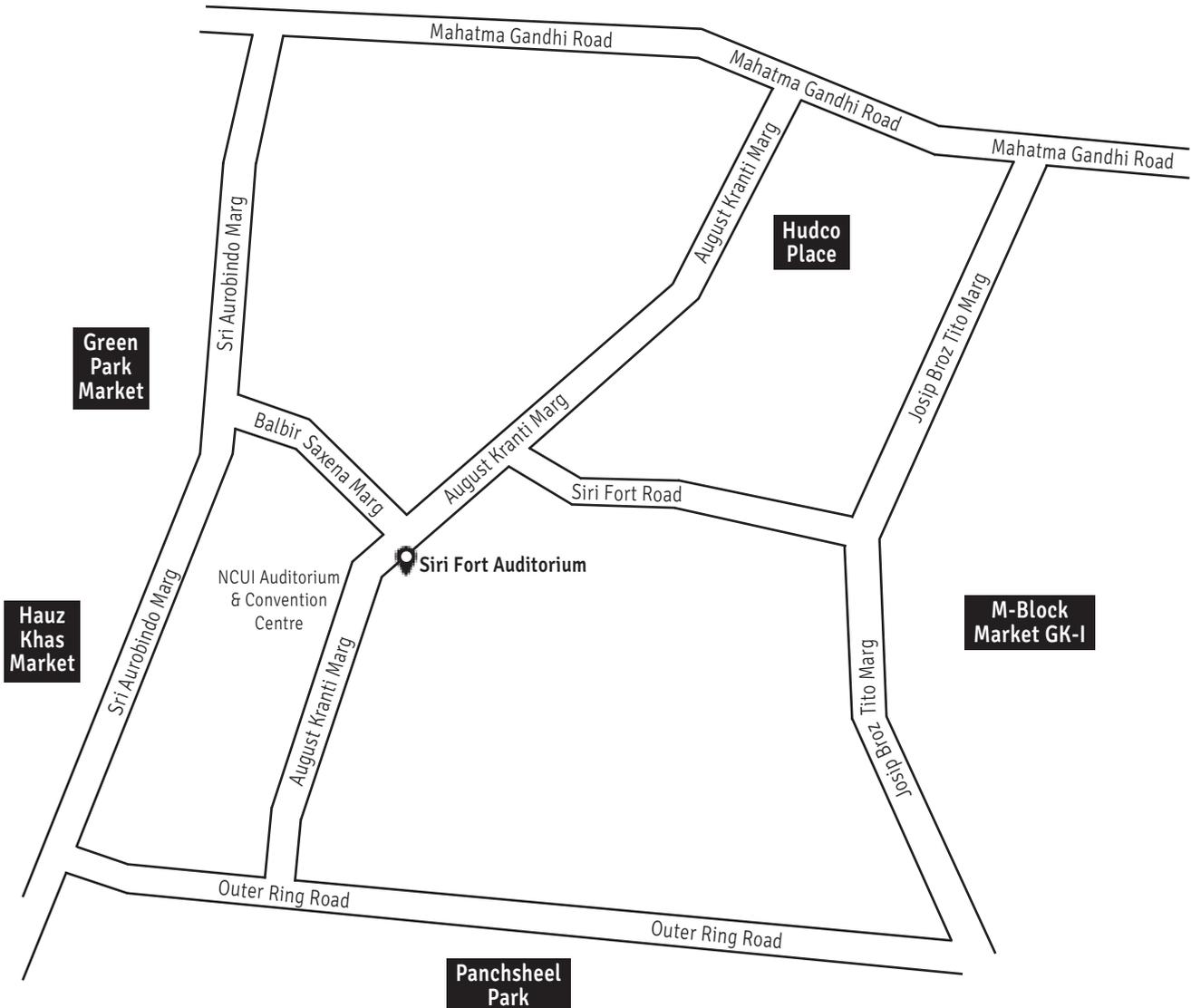
Indraprastha Medical Corporation Limited 29th Annual General Meeting

Date : 26th September, 2017

Day : Tuesday

Time : 11.00 A.M.

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





Indraprastha Medical Corporation Limited

[CIN: L24232DL1988PLC030958]

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

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