



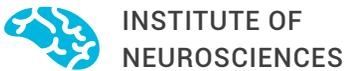
HEART
INSTITUTES



ANNUAL REPORT
2018-2019



CANCER
INSTITUTES



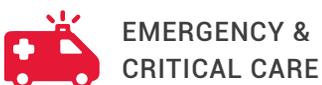
INSTITUTE OF
NEUROSCIENCES



INSTITUTE OF
ORTHOPAEDICS



INSTITUTE OF
TRANSPLANTS



EMERGENCY &
CRITICAL CARE

THE
DIFFERENCE
BETWEEN
GOOD &
Great.

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Is there a difference between a good hospital and a great one?

THERE IS A DIFFERENCE.

A difference between hands that do surgery

And A SYSTEM THAT HEALS.

A difference between a nurse on duty

And ONE WHO NURSES WITH TENDER LOVING CARE.

A difference between a hospital that runs tests

And ONE WHICH INVESTS IN TECHNOLOGY FOR ACCURATE DIAGNOSIS.

A difference between 16 stitches

And NONE.

A difference between an institution that has a certification

And ONE WHICH SETS CLINICAL BENCHMARKS FOR THE INDUSTRY.

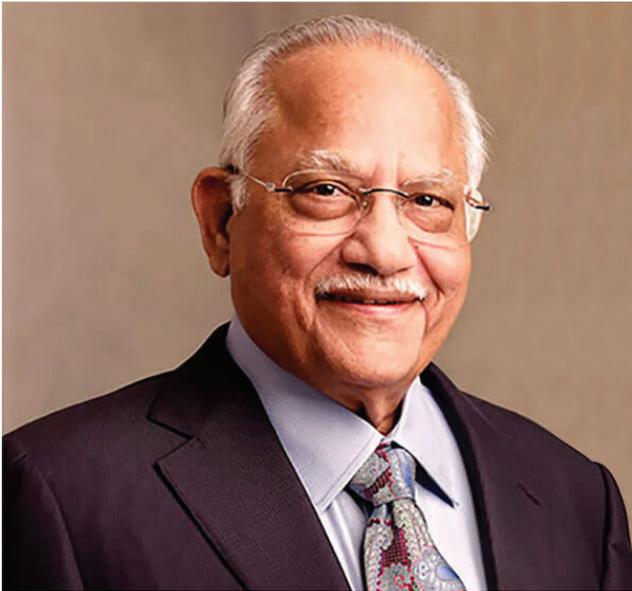
A difference between living

And ENJOYING GOOD HEALTH AND WELLNESS.

Because when it comes to your health, that difference means a lot.

Great hospitals have a distinguishing and established purpose; one, which their people live to the fullest. Great hospitals know why they exist and are clear about the value they create in the world - a value which goes beyond the cost of care. They are bound to established values and beliefs which shape in their people, a unique culture of care—patient centered, proactive and sustainable. Great hospitals nurture patient relationships through the entire continuum of care. They focus on holistic patient well-being, and suggest ways to prevent illness rather than merely treating disease. They understand patient pain points, and leverage doctor skills, expertise and technology, to provide them optimal solutions. Great hospitals benchmark their practices and performance with the world's best because when it comes to their patients' health, they will stop at nothing short of best.

MESSAGE



Dear Shareholders,

At the outset, allow me to mark the 35-year milestone of Apollo Hospitals – a journey that began for me as a mission to bring top quality equitable healthcare of international standards to Indians. Our commitment to that mission led by consistent and uncompromising standards in clinical practices, quality measures, and patient centric care, has not only heralded the birth of an industry in the country, but has also enabled us to set benchmarks in healthcare delivery as a whole. I am proud that Indian private healthcare is able to serve two-thirds of the Indian population today as well as people from more than 120 countries seeking better healthcare options.

Apollo Hospitals Group is the only global institution with presence in every facet of the healthcare eco-system, encompassing curative health, pharmacies, retail health, diagnostics, telehealth, home health, as well as preventive health and wellness, medical education and skill development, not to mention health insurance and over 3,400 pharmacies. We have touched over 120 million people through our eco-system led by our hallmark clinical excellence tendered with care, compassion and cost benefit – an achievement which no other private institution can claim. Dr. HJ Morowitz, Professor at the Yale University, analyzed various parts of the body and its functions and pegged the value of its creation at six trillion dollars. Such a

priceless body needs strong guidance to protect its health and well-being.

I feel extremely privileged that in February this year, the Honourable Governor of Tamil Nadu, Shri Banwarilal Purohit, launched a Postal Stamp to mark our pioneering efforts in the area of Preventive Healthcare in India. The Master Health Check which we pioneered is a great tool to help people in the pursuit of wellness. It can pick up abnormal health parameters and help in early diagnosis of potential health problems. I am happy to tell you that we have completed over 20 million checks till date. Over the years, the Postal Department of India has honoured us with four stamps to mark our achievements-something that no other hospital in the world can claim.

Non Communicable Diseases or NCDs which include diabetes, cardiac, strokes, infections, and cancer, are soon going to become a major challenge to the physical health and economic security of many lower and middle income people. I would like to add two recently recognized conditions to this list—Obesity and Sleeplessness. The World Economic Forum has predicted that 80% of deaths by the end of this decade will be from NCDs, creating a global cost burden of 30 trillion dollars. India's share in this will be a staggering 4.8 trillion dollars; more than 50% of the GDP. I call this a Tsumani. In our experience, we have realized that early detection is important and NCDs can be prevented or reversed. But we need to take good care of our precious bodies. At Apollo, we have made it our Mission to carry the message of prevention and early detection countrywide and overseas also.

In this regard we have launched ProHealth, a three-year health and wellness programme for our 80,000 plus members of the Apollo family and their dependents, a total of 200,000 people. The programme facilitates early detection and healthy living through health guides, online tools and call doctors. On completion of the program, I plan to send each one a cake to celebrate their health and happiness. I urge captains of industries to extend this beneficial programme to all their employees so that the community as a whole can celebrate health and happiness. I firmly believe when India takes the lead, the world will follow.

We have since inception, underpinned our clinical excellence with superior technology in every discipline, comparable to any hospital in the world. Our most recent addition of the multi-room Proton Centre in Chennai will serve patients not just in India, but also from other countries that do not have this facility. The credibility of the Apollo

brand and the cost of treatment which is less than one-third of international prices, attract many medical value travelers to our hospitals and our highly skilled team of medical, surgical, and radiation oncologists and physicists. Our facilities are equipped with the latest technology to enable them in their diagnoses and treatments. This spirit pervades our 70 hospitals and 170 Clinics.

Our Cardiac Institutes have consistently produced outcomes on par with the best hospitals in the world. The Institutes have completed over 170,000 coronary bypass surgeries and are the single largest establishment for minimally invasive cardiac surgeries. We have completed over 50,000 CABGs just in Chennai.

We continue to focus on growing our Centers of Excellence, with a view to strengthening our leadership position in key specialties in all our geographies. Neurosciences, Orthopaedics, Emergency and Critical Care are identified as COEs, in addition to Cardiac, Oncology and Transplants. Our COE focus spans the entire spectrum of care, starting with the best talent, latest technology, cutting-edge protocols, differentiated product and service portfolio, and benchmarked clinical outcomes.

We opened our 3400th pharmacy store this fiscal. The pharmacy business now contributes 39% to our topline. Our retail business has a robust network of birthing centres, primary clinics, dental clinics, sugar clinics, dialysis centres and diagnostic labs; we remain the leading retail healthcare provider in the country.

The Indian government made a landmark move to launch 'Ayushman Bharat' — the Universal Health Insurance scheme. This resonates with my own personal sentiment that "health is a global right and a global duty". Our PPPs in this regard stand testimony to our commitment to bring affordable healthcare of superior standards to every fellow Indian. We have partnered with several state governments and leveraged technology to improve access to healthcare for the under-served in remote rural areas of our country.

Through initiatives like TeleHealth and TeleMedicine, we are able to run diagnostics and provide specialized consultations for appropriate treatments, creating innovative service delivery models for primary, secondary, and tertiary care.

We piloted our efforts in population health and well-being in Aragonda village, my birth place in Chittoor district (AP) in 2013 to fight the onset of Non Communicable Diseases. The initiative, Total Health, provides "Holistic Health Care" for the community, starting from birth, into childhood, adolescence, adulthood and in the later years of life. Today the program covers the whole of Thavanampalle Mandal with 170 hamlets and 60,000 people and the results are extraordinary. I am proud to announce that Apollo Hospitals in Aragonda has performed 150 Knee Replacement surgeries—the first hospital in India to do so in a remote village.

On the 24th of February, Shri Ram Nath Kovind, the Honorable President of India, inaugurated our Multi Specialty Hospital in Lucknow — ApolloMedics. This marks our 70th Hospital with a capacity of 330 beds.

I am delighted to tell you that this year, we have received 44 awards and accolades in India and abroad, in recognition of our commitment towards patient centricity, clinical excellence and innovation. We were also awarded the No 1 rank among Indian hospitals, for the 16th year in a row by The Week magazine, a true testimony to our consistency in delivering superior quality healthcare to our patients.

The future of healthcare is dawning on us. A future in which the global health care systems will focus on keeping people well-not just curing them when they are ill; where technology-enabled care will be available when and where people need it; where drugs and devices are personalized and based on an individual's needs; and where people understand the cost, value, and impact of their options for care. The use of Artificial Intelligence in diagnostics, for example, genomic sequencing, is fast gaining ground. The opportunity for us to shape this future is promising and rich. We have partnered with prominent global enterprises to create viable avenues to make healthcare delivery more efficient and sophisticated, and to cater to the evolving needs of our patients.

The success of Apollo Hospitals has always been about teamwork. We want to place on record my sincere appreciation and gratitude for all the hard work my Apollo family has put in to bring us to where we are today. We earnestly ask you to continue in that stride for I am confident that together we can deliver value to all our stakeholders — patients, investors and the community we serve.

I personally place on record my appreciation for our Board Members and investors for the trust they have placed on us. I look forward to that in the coming years as we move forward to achieve our goals.

Our steadfast goal is to bring down the huge burden of NCDs through our comprehensive preventive health programme. Always remember that your body is priceless and it is your duty to maintain and preserve it, towards your Health and Happiness.

Stay Healthy and my warm personal regards to all of you,

Dr. Prathap C. Reddy

Founder, Apollo Hospitals Group

CORPORATE INFORMATION

Vice Chairman

Dr. Prathap C. Reddy

Directors

Dr. Arun Rai
Mr. Deepak Vaidya
Mr. Satnam Arora
Ms. Shobana Kamineni
Mr. S. Regunathan
Ms. Suneeta Reddy
Mr. T. S. Narayanasami
Mr. Vinayak Chatterjee
Ms. Vineeta Rai

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

S. N. Dhawan & Co. LLP
Chartered Accountants, New Delhi

Bankers

Oriental Bank of Commerce
State Bank of India
ICICI Bank Limited

NOTICE TO THE MEMBERS

Notice is hereby given that the thirty first Annual General Meeting of Members of Indraprastha Medical Corporation Limited will be held on Friday, 20th September, 2019, 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, 2019, together with the Reports of the Board of Directors and Auditors thereon.

Item No. 2 – Declaration of Dividend

To declare dividend on equity shares for the financial year ended 31st March, 2019.

Item No. 3 – 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.

SPECIAL BUSINESS:

Item No. 4

Appointment of Ms. Madhumita Ganguli as a Director.

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

“RESOLVED THAT pursuant to Section 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be in force from time to time, Ms. Madhumita Ganguli (DIN 00676830), who was appointed by the Board of Directors, as an Additional Director of the Company with effect from 26th July, 2019, and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a Member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

Item No. 5

Ratification of Remuneration to Cost Auditors.

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, 2020, 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.”

Item No. 6

Payment of Remuneration to the Non-Executive Directors including Independent Directors of the Company.

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION:-

“RESOLVED that pursuant to the provisions of Section 197, 198 and other applicable provisions of the Companies Act, 2013 (the ‘Act’) and the Rules made thereunder and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the Members of the Company be and is hereby accorded to the payment of remuneration by way of commission to the Non-Executive Directors including Independent Directors of the Company, for each financial year over a period of five (5) financial years with effect from 1st April 2019, and distributed between such Directors in such manner as the Board of Directors may, from time to time determine within the overall maximum limit of 1% (one percent) of the net profits of the Company to be calculated in accordance with the provisions of Section 198 of the Companies Act, 2013.”

RESOLVED FURTHER that the above remuneration shall be in addition to fee payable to the Director(s) for attending the meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board of Directors and reimbursement of expenses for participation in the Board and other meetings.”

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

Ajay Kumar Singhal
Vice President cum Company Secretary
(FCS 1400)

Date: 26th July, 2019

Registered Office:

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

NOTES:

1. The Explanatory Statement setting out material facts, pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business as set out above, is annexed hereto.

2. A member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on his / her behalf. A proxy need not be a member of the Company. The instrument appointing the proxy shall be deposited at the Registered Office of the Company at Sarita Vihar, Delhi-Mathura Road, New Delhi – 110 076, not less than 48 hours before the commencement of the meeting.

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

3. 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. Securities and Exchange Board of India (“SEBI”) has mandated that securities of listed companies can be transferred only in dematerialised form w.e.f. 1st April, 2019. Accordingly, the Company/RTA has stopped accepting any fresh lodgment of transfer of shares in physical form. Members holding shares in physical form are advised to avail of the facility of dematerialisation.

7. The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, 14th September, 2019 to Friday, 20th September, 2019 (both days inclusive) for the purpose of payment of dividend for the financial year ended 31st March, 2019, and the Annual General Meeting.

8. The dividend on Equity Shares, if declared at the AGM, will be paid on or after 24th September, 2019 to Members whose names appear on the record of Depositories [National Securities Depository Limited and Central Depository Services (India) Limited] on 13th September, 2019 (for shares held in demat mode) and in the Register of Members of the Company (for shares held in physical mode) as on 20th September, 2019, after giving effect to all valid transmission or

transposition requests lodged with the Company for the shares held in physical form up to the closing hours of business on 13th September, 2019. The dividend will be paid to the Members within the stipulated time.

9. 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.

10. The Ministry of Corporate Affairs had notified provisions relating to unpaid / unclaimed dividend under Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules). As per these Rules, dividends which are not encashed / claimed by the shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The IEPF Rules mandate the companies to transfer such shares of Members of whom dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. Hence, the Company urges all the Members to encash / claim their respective dividend during the prescribed period. The details of the unpaid / unclaimed amounts lying with the Company as on 24th September, 2018 (date of last AGM) are available under “Investor Relations” section on the website of the Company and on Ministry of Corporate Affairs’ website.

The summary of the unpaid dividend and the dates on which the outstanding amount is due to 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
31/03/2012	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
31/03/2017	26/09/2017	30/10/2024
31/03/2018	24/09/2018	28/10/2025

11. (a) Adhering to the various requirements set out in the IEPF Rules, the Company has, during financial year 2018-19, transferred to the IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more. Details of shares transferred to the IEPF Authority are available on the website of the Company and the same can be accessed through the link: <https://delhi.apollohospitals.com/refund-claimants-fund>. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: www.iepf.gov.in.

(b) Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned

members/investors are advised to visit the weblink: <http://iepf.gov.in/IEPFA/refund.html> or contact Link Intime India Private Ltd., for lodging claim for refund of shares and / or dividend from the IEPF Authority.

12. Members holding shares in physical form are requested to intimate the following directly to the Company's Registrar and Share Transfer Agents (RTA), M/s. Link Intime India Pvt. Ltd., Noble Heights, 1st Floor, NH-2, C-1 Block, LSC, Near Savitri Market, Janakpuri, New Delhi – 110058 :-
 - a) Permanent Account Number (PAN) and bank account details, if not registered with the Company, as mandated by SEBI.
 - b) to register nomination in respect of their shareholding in the Company.
 - c) to register / update their e-mail address for receiving all communications from the Company electronically.
13. Members holding shares in electronic mode are:
 - a) requested to submit their PAN and bank account details to their respective Depository Participants ("DPs") with whom they are maintaining their demat accounts.
 - b) advised to contact their respective DPs for registering nomination.
 - c) requested to register / update their e-mail address with their respective DPs for receiving all communications from the Company electronically.
14. Non-Resident Indian members are requested to inform RTA / respective DPs, immediately of:
 - a) Change in their residential status on return to India for permanent settlement.
 - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
15. Details under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) in respect of the Directors seeking appointment / re-appointment at the Annual General Meeting, forms an integral part of the notice. The Directors have furnished the requisite declarations for their appointment / re-appointment.
16. Electronic copies of the Annual Report for the year ended 31st March 2019, and electronic copy of the Notice of the thirty first Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with the Attendance Slip and Proxy Form, are being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report and Notice of the thirty first Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent in the permitted mode.
17. Members may also note that the Notice of the thirty first Annual General Meeting and the Annual Report for 2018-19, along with Attendance Slip and Proxy form, will be also available on the Company's website <https://delhi.apollohospitals.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@apollohospitalsdelhi.com.
18. 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 e-voting process in a fair and transparent manner.
19. Voting through electronic means :
 - I. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015') and Regulation 44 of the Listing Regulations and Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide to its members the facility to exercise their right to vote on resolutions proposed to be considered at the thirty first Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes using an electronic voting system from a place other than the venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL) for the members.
 - II. The facility for voting through ballot paper shall be made available at the AGM and members attending the meeting who have not cast their votes by remote e-voting shall be able to exercise their right at the meeting through the ballot paper.
 - III. Members who have cast their votes by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their votes again.
 - IV. Voting rights shall be reckoned on the paid up value of shares registered in the name of the member/ beneficial owner (in case of electronic shareholding) as on the cut-off date i.e., 13th September 2019.

- V. 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 i.e, 13th September, 2019 only shall be entitled to avail the facility of remote e-voting.
- VI. The remote e-voting period commences on 17th September 2019 (9:00 am) and ends on 19th September 2019 (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 13th September, 2019, may cast their votes 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, he or she shall not be allowed to change it subsequently.
- VII. A person who is not a member as on the cut-off date should treat this Notice for information purpose only.
- VIII. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given below:-

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - d) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/ Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/ folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
 8. Now, you will have to click on “Login” button.
 9. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- 1 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to bskashtwal@yahoo.co.in with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password

confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

20. The Chairman shall, at the AGM, at the end of the discussion on the resolutions on which voting is to be held, allow voting with the assistance of the 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.
21. The Scrutinizer shall after the conclusion of voting at the AGM, 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.
22. The results declared along with the consolidated scrutinizer’s report shall be placed on the website of the Company <https://delhi.apollohospitals.com/> and on the website of NSDL. The results shall simultaneously be communicated to the Stock Exchanges.
23. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the Meeting i.e., 20th September 2019.
24. The complete particulars of venue of AGM including route map and prominent land mark for easy location also forms part of the Annual Report. The route map of venue of AGM is also hosted along with the Notice on the website of the Company <https://delhi.apollohospitals.com/>

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 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. 4

Upon the recommendations of the Nomination and Remuneration Committee, the Board of Directors in the meeting held on 26th July, 2019, has appointed

Ms. Madhumita Ganguli as an Additional Director. As an Additional Director, Ms. Madhumita Ganguli holds office of Director only up to the Annual General Meeting. A notice has been received from a member pursuant to Section 160 of the Companies Act, 2013, signifying his intention to propose the appointment of Ms. Madhumita Ganguli as a Director of the Company.

Brief Profile of Ms. Madhumita Ganguli is provided in section "Profile of Directors Seeking Appointment / Reappointment".

Except Ms. Madhumita Ganguli, 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. 4.

The Board of Directors of the Company recommends the resolution No. 4 for approval of the members.

Item No. 5

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, 2020, 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. 5 of the Notice for ratification of the remuneration payable to the cost auditors for the year ending 31st March, 2020.

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. 5.

The Board of Directors of the Company recommends the resolution No. 5 for approval of the members.

Item No. 6

The members of the Company at the Annual General Meeting held on 30th September, 2014, approved by way of an Special Resolution under Section 197 of the Companies Act, 2013, the payment of commission to the Non-Executive Directors including Independent Directors of the Company, for each financial year over a period of five (5) financial years with effect from 1st April 2014, within the overall maximum limit of 1% (one percent) of the net profits of the Company to be calculated in accordance with the provisions of Section 198 of the Companies Act, 2013.

Accordingly, commission has been paid by the Company to each of the Non-Executive Directors including Independent Directors for five years commencing from 1st April, 2014,

within the limit of 1% of net profits of the Company, in addition to the sitting fees being paid for attending each meeting of the Board or a Committee thereof and reimbursement of expenses for participation in the meetings.

In order to remunerate the Non-Executive Directors including independent directors of the Company, for the responsibilities entrusted upon them under the Companies Act, 2013, particularly with the requirements of the Corporate Governance Policies, the current trends and commensurate with the time devoted and the contribution made by them, it is proposed that the Non-Executive Directors including independent directors of the Company be continued to be paid commission, within the maximum limit of 1% of net profits of the Company, to be determined by the Board of Directors of the Company, for each financial year, for a period of five years commencing from 1st April, 2019, and distributed between Directors, in such proportion and manner as the Board may determine from time to time.

Pursuant to Section 197 of the Companies Act, 2013, the approval of the members of the Company by way of a Special Resolution in General Meeting is required for payment of remuneration by way of commission to Non Executive Directors including independent directors of the Company.

Except all Non-Executive Directors including independent directors of the Company and their relatives, none of the other Directors/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.

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

Ajay Kumar Singhal
Vice President cum Company Secretary
(FCS 1400)

Date: 26th July, 2019

Registered Office:

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

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. Vineeta Rai

Age : 74 years

DIN : 07013113

Experience (including expertise in specific functional areas) / 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).

Shareholding in the Company: 1 Equity Share

Qualifications: IAS Officer of 1968 Batch (AGMUT cadre), B.A. (Hons) Delhi University, B.A. (American History and Politics), Brandeis University, USA.

Relationship with other Directors/Key Managerial Personnel: None

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

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

Directorship of other board: None

Remuneration received from the Company in the F.Y. 2018-19:

Sitting Fees Rs 1,60,000

Commission Rs 2,50,000

Total Rs 4,10,000

Terms and conditions of re-appointment along with details of remuneration sought to be paid: Non-Executive Director, liable to retire by rotation. 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 this, the Non-executive director are also paid commission on profits of the Company.

The number of Meetings of the Board attended during the current F.Y.: 4

Performance Evaluation Report: The Performance of the directors had been very much in line with expectations and of the required standards.

ii. Name : Ms. Madhumita Ganguli

Age : 62 years

DIN : 00676830

Experience (including expertise in specific functional areas) / Brief Resume: Ms. Madhumita Ganguli is a member of the Executive Management of HDFC Ltd, India's fastest largest mortgage lender. She is a lawyer by profession and through her experience she is a housing finance professional. She has a experience of over 38 years in the field of Legal, Business Operations and real estate. Also She is heading the various committees like Audit, Risk , Fraud and Complaint Committee on Sexual Harrasment.

Shareholding in the Company: None

Qualifications: L.L.B

Relationship with other Directors/Key Managerial Personnel: None

Date of first appointment on the Board: 26-07-2019

Directorship of other board:

1. Carrier Launcher Pvt Limited

2. HDFC Credila Financial Services Private Limited

3. Transunion Cibil Limited

4. HDFC Capital Advisors Limited

Remuneration received from the Company in the F.Y. 2018-19: Not Applicable

Terms and conditions of re-appointment along with details of remuneration sought to be paid: Non-Executive Director, liable to retire by rotation. 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 this, the Non-executive director are also paid commission on profits of the Company.

The number of Meetings of the Board attended during the current F.Y.: Not Applicable

Performance Evaluation Report: Not Applicable

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present their report and financial statements for the financial year ended 31st March 2019.

FINANCIAL RESULTS

(Rs. in million)

	Particulars	FY 2018-19	FY 2017-18
I.	Revenue from Operations	7,881.72	7,526.60
II.	Other Income	4.67	7.91
III.	Total Income (I+II)	7,886.39	7,534.51
IV.	EXPENSES		
	Stores & Spares consumed	1,449.62	1,398.40
	Employee benefits expense	2,002.05	1,940.14
	Finance costs	68.71	88.99
	Depreciation and amortization expense	297.54	306.82
	Other expenses	3,622.26	3,460.11
	Total expenses (IV)	7,440.18	7,194.46
V.	Profit before exceptional items and tax (III-IV)	446.21	340.05
VI.	Exceptional Items	-	-
VII.	Profit/(loss) before tax (V-VI)	446.21	340.05
VIII.	Tax expense:		
	(1) Current tax	185.28	139.31
	(2) Deferred tax	(23.20)	(10.29)
IX.	Profit/(loss) for the year (VII-VIII)	284.13	211.03
X.	Other Comprehensive Income		
	(i) Items that will not be reclassified subsequently to profit or loss		
	Re-measurement gains (losses) on defined benefit plans	(1.72)	3.73
	Income Tax effect (Deferred Tax)	0.60	(1.30)
		(1.12)	2.43
XI.	Total Comprehensive Income for the year (Comprising Profit (Loss) and Other Comprehensive Income for the year)	283.01	213.46

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.

DIVIDEND

The Directors are pleased to recommend payment of dividend on equity shares @ Rs. 1.60 per share (16 percent) for the financial year ended 31st March, 2019 (previous year Rs. 1.50 per share).

RESULTS OF OPERATIONS AND THE STATE OF COMPANY AFFAIRS

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.

During the year under review, the financial performance of the Company has improved. The total income increased from Rs. 7534.51 million in the previous year to

Rs. 7886.39 million. The Profit Before Tax (PBT) increased by 29.29%, from Rs. 343.78 million to Rs. 444.49 million and the Profit After Tax (PAT) increased by 32.58%, from Rs. 213.46 million to Rs. 283.01 million.

In the Main Hospital, total outpatient volumes including repeat visits, increased by 2.10% from 431011 to 440056, Average bed occupancy of the Hospital per day increased by 3.30% from 484 to 501, kidney transplants increased by 37.4% from 377 to 518, Apollo Annual Health Checks increased by 14.43% from 33304 to 38111, angiographies increased by 18.62% from 145 to 172, MRI increased by 16.5% from 10308 to 12005 and Ultrasound increased by 4.47% from 57880 to 60466, over the previous year.

The hospital successfully conducted its 1st Heart Transplant. A rare and difficult surgery "Exit utero Intra-Partum treatment" also known as "Exit procedure" was performed on a 22 year old female, at 31-week pregnancy. This surgery is performed on a baby during LSCS. While baby is still connected with Placenta, it had a Teratoma mass that was compressing the baby's trachea.

A 23 weeks pregnant lady with set of monochorionic (identical) twins, whose pregnancy was complicated by Twin to Twin transfusion syndrome (TTTS)—Quintero Stage 3, was managed successfully in the hospital.

A successful cadaveric renal transplant was done for a patient, post-allocation of a cadaveric kidney from NOTTO. The medical team perfectly co-ordinated the retrieval and transport of the organ from other Hospital to Indraprastha Apollo Hospitals.

First Robotic Parathyroidectomy—a rare Orthopaedics surgery—Osteosarcoma excision and mega-prosthesis implants with knee joints was performed in the Hospital on a 8 year old female child from Yemen.

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.

The Govt. of NCT of Delhi announced a revision in minimum wages of around 37% w.e.f. 03.03.2017 vide gazette notification dated 04.03.2017. A number of employer associations /individual corporate entities including this hospital, challenged the said notification and the Hon'ble High Court of Delhi had quashed the notification on 04.08.2018. The Govt. of NCT of Delhi has challenged the order of the High Court of Delhi and has filed Special Leave Petition (SLP) before the Hon'ble Supreme Court. The Hon'ble Supreme Court has observed that although the judgement dated 04.08.2018 passed by the High Court of Delhi was under challenge, the wage fixed by the Govt. of NCT of Delhi is otherwise a fair wage and suggested that as an interim arrangement, the revised wages should come into effect. In compliance with Hon'ble Supreme Court directions, the Company has been making regular payments to workforce effective 01.11.2018. The impact of revised minimum wages has been around Rs. 80 million per annum. This figure doesn't take into account the impact arising out of arrears, if any

w.e.f 03.03.2017. The Hospital shall be putting in place mitigation measures to contain the impact to the extent possible. Further, the Court had also directed the State Govt to carry out a de-novo process of revision of rate of minimum wages. The State Labour department carried out the said exercise under 5 (1) (b) of the Minimum Wages Act and concluded the same on 15.02.2019. The matter is now pending with SC for final disposal.

Pursuant to the recommendations of the Expert Committee of Ministry of Health and Family Welfare, Govt. of India, which was constituted in compliance of the Hon'ble Supreme Court judgment dated 29-01-2016 in WP (C) 527/2011 in the matter of Trained Nurses Association of India Vs. Union of India &Ors. and further on the recommendations of the Expert Committee appointed by DGHS, Govt. of NCT of Delhi vide order dated 04-07-2017, subsequent to WP (C) No. 5103/2017 filed before the Hon'ble High Court of Delhi by Indian Professional Nurses Association (IPNA) seeking directions regarding compliance of Hon'ble Supreme Court Judgement, the DGHS, Govt. of NCT of Delhi has issued an order which inter-alia provides that in case of more than 200 bedded hospitals, salary given to private nurses should be on par with the salary of the State Govt. nurses given in the concerned State / UT for the similar grade and to comply with the order within 3 months from the date of issue of the order. Failure to comply with the order shall be viewed seriously and strict action including cancellation of registration of defaulter private hospitals would be taken.

The Association of Healthcare Providers of India (AHPI) of which the Company is also a member had filed a writ petition in the High Court of Delhi challenging the order issued by DGHS. The Notice on the petition had been issued with the Court having ordered the Govt. not to take any coercive steps in furtherance of the impugned order. If the order issued by DGHS, Govt. of NCT of Delhi is to be implemented, the consequent rise in costs shall have major adverse impact on the financials of the Company. After a series of hearings, the matter was reserved for judgement.

In the PIL titled IPNA vs Govt. of NCT of Delhi and Anr., WP (C5103/2017) the Division Bench of Delhi High Court vide its order dated 22/07/2019 has directed Govt. of NCT of Delhi to implement the recommendations of the expert committee in accordance with law, rules & regulations as early as possible.

Final Judgement in the writ petition titled AHPI vs Govt. of NCT of Delhi, WP (C7291/2018) has been pronounced on 24/07/2019 by the Delhi High Court upholding the Order dated 25/06/18 issued by the DGHS Govt. of NCT of Delhi.

However, in so far as the said order provided for cancellation of licenses of non-complying private hospitals/ nursing homes within 3 months, the Court has directed that such cancellation can take place only after the relevant private hospital/ nursing home is given an opportunity of being heard. During such hearing, it would be open for the private hospital/ nursing home to raise

all objections, including on the question of whether the DGHS has the power to cancel licenses under the Delhi Nursing Homes Registration Act. The DGHS has also been directed to pass speaking orders upon conducting such hearing(s).

It has been clarified that the period of 3 months for cancellation of licenses for non-compliance shall re-start from today, i.e. 24 July 2019.

In the above backdrop, the hospital has been saddled with an enormous financial burden arising out of equivalence of Nursing salaries and working conditions with that of Delhi Govt. Hospitals. Keeping in view the gravity of the matter, cascading effect on other segments and the overall impact on business, the Company under the auspices of AHPI shall be taking recourse to appropriate legal remedies available.

The South Delhi Municipal Corporation (SDMC) has laid out a Policy for the Free Parking by hospitals/shopping malls etc. Whereas the stand of the Company is that it had been paying property tax to SDMC for paid surface parking area in the hospital and the surface parking area is not included in the Hospital's floor area ration (FAR) hence do not come under the free parking policy by hospitals/shopping malls etc. as laid out by SDMC. The Company has filed a Civil Writ Petition before the Hon'ble High Court of Delhi challenging the action of the SDMC. In the meanwhile, the Company has stopped charging fee for parking of vehicles by the visitors to the Hospital. It has resulted into a loss of around Rs. 20 million per annum.

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 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. In order to address and resolve the long drawn litigation between the parties, without prejudice to its rights and contentions in the SLP, the Hospital is willing to provide free treatment including medicines & medical consumables up to 10% IPD and 25% OPD as applicable to other hospitals. The Company has filed an IA for the same and it is pending before the Supreme Court of India.

A Nodal Medical Officer deputed by the Directorate of Health Services, Govt. of NCT of Delhi, is present in the hospital to support, guide and monitor the treatment of patients referred by the Government.

During the year, a total of 30817 patients (27051 Out Patients and 3766 In Patients) were treated under the free category.

In order to improve the overall business, financial and operational performance of the Company, the following initiatives have been taken:-

1. Appointment of Consultant in key Specialities

Intense efforts are being made to recruit new Consultants who could contribute to increase the patient flow to the Hospital. An eminent gastroenterologist Dr. Yogesh Batra joined the hospital as Senior Consultant in the year. His addition to the faculty will further the hospital's service offerings in the field of Gastroenterology, Endoscopy, EUS, ERCP and Fibroscope services.

2. Chemotherapy Ward

The hospital commissioned a new state-of-the-art Chemotherapy Unit with 30 beds. The unit aims to provide comprehensive and class leading services to cancer patients with a focus on ensuring their comfort, dignity and ease of access to clinical services of the hospital. The commissioning of the unit is in line with the hospital's focus on expanding its existing Oncology services. The hospital is in the process of adding Tomotherapy Radiation unit, which will be the third radiation unit for the hospital.

3. Emergency Expansion

The Emergency Department of the hospital has been expanded to enhance its triage services which are critical for getting the appropriate care planned for any patient arriving at the Emergency Ward. This initiative has enabled further streamlining of the Emergency Services offerings of the hospital.

4. New Visitor Management System

The hospital introduced a new visitor management system to streamline the movement of visitors within the hospital. The new system ensures controlled access of visitors to appropriate wards and units of the hospital while also easing access of attendants and family members accompanying patients.

5. Staff Safety

In order to ensure a safe and conducive work environment for our staff, the hospital has reinforced safety measures through systemic, structural and procedural changes at key locations including the Emergency Department, the main entrance, staff entrance and the billing sections. These measures along with enhanced presence of security staff and strengthened liaison with law enforcement officials are to ensure that any potential incidents of violence or vandalism are brought to a minimum.

6. Additional Service Offerings

To expand the service offerings for staff and visitors, a new F&B outlet at the Atrium has been allowed to be operated by Nestle, the world leader in FMCG products and offers a range of beverages and food options round the clock.

Awards and Accolades

The Hospital received a number of accolades during the year under review. The Hospital Management Asia (HMA) recognizes and honours hospitals in Asia that carry out best practices in hospital management. This year, your hospital won the Gold Award for “Compassion Courage Hope—Rebuilding Livelihood” in the Community Involvement Category and “Uberization of Patient Transportation” in the Mobile and Online Services. The hospital also won Excellence Award in P2P (From Panic to Peace) Clinical Alarm safety Campaign in the Facility Management & Financial Improvement category and Apollo Ring of Care under Hospital CEO of the year category.

The hospital has also won AHPI Healthcare Excellence Award 2019 in Nursing Excellence and Quality beyond Accreditation. The Hospital has also won Best Hospital in Facility Management & Hospitality in 9th MT India Healthcare Awards 2019.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

(A) Conservation of Energy

Conservation of Energy and natural resources has continued to be one of the major objectives of the Hospital.

Our initiatives were aimed at reducing Water and Energy Consumption, Improving Efficiency of Chillers and thus further strengthening our commitment towards Environment Conservation. Some of the initiatives taken this year are:

Utilization of CSSD reject water for Boilers.

In order to strengthen our water conservation, a new frontier was discovered and the project was taken up to recirculate CSSD reject water to Boiler section, it is estimated we will recycle approximately 7500 KL of soft water on annual basis.

Maximization of Asset utilization to improve System Efficiency and Energy Savings in HVAC.

After Energy Analysis it was observed that 35-40% of Hospitals total energy is consumed by HVAC systems. So in order to save Energy we optimized HVAC Consumptions

The following implementations were carried out : -

1. Adjustment of Set-point of Chiller as per ambient/building load conditions. Utilization of best Chillers at higher loads.
2. Improvement in Effectiveness of Cooling Tower by automation of Cooling towers, for monitoring and controlling of sump temperature.
3. Reduction in frequency of OT AHUs (35 Hz from 50 Hz) during non-operational hours. Reduction in frequency from 50 Hz to 35 HZ saves 50% in Energy Consumptions.
4. Replacement of Old AHUs (crossed end of life) with Energy efficient AHUs (Plug Fan Technology)

(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.

During the year, the following new equipment have been installed in the hospital:-

Digital Pathology Solution (DPS)

Digital Pathology Solution (DPS) also referred as Whole Slide Imaging wherein scanning of conventional glass slides is done in order to produce digital slides. The solution completely digitizes the histopathology workflow. It is also layered with Artificial Intelligence enabled computational pathology leading to significant reduction in inter and intra observer result variability, enabling objective and accurate diagnosis.

DNA Sequencer System (Genetic Analyzer)

Genetic Analysis is the process of studying and researching in field of science that involve genetic and molecular biology. Basic studies include identification of genes and inherited disorders. The main advantage of this application is DNA typing in paternity testing and testing for relatedness on the maternal or paternal lineage using autosomal, mitochondrial or Y-chromosomal DNA markers.

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. 1483.32 million
Outgo :	Rs. 149.22 million

BOARD MEETINGS

Four (4) Board meetings were held during the financial year ended 31st March, 2019. The dates of the meetings are as follows: 9th May, 2018, 28th July, 2018, 10th November, 2018, and 30th January, 2019. The intervening gap between the meetings was with in the period prescribed under the Companies Act, 2013.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

- Mr. S. N. Sahai resigned as a Director of the Company, effective from 29th June, 2018.
- Ms. Renu S. Karnad resigned as a Director of the Company, effective from 8th March, 2019.
- Mr. Ashok Bajpai resigned as Managing Director of the Company, effective from 15th June, 2019.
- Mr. S. Regunathan, Mr. Satnam Arora, Mr. Deepak Vaidya and Mr. T. S. Narayanasami have been re-appointed as Independent Directors of the Company, for a period of 5 consecutive years effective from 1st April, 2019 to 31st March, 2024.
- Ms. Madhumita Ganguli has been appointed as an Additional Director w.e.f. 26th July, 2019. Ms. Madhumita Ganguli holds office of Director only up to the Annual General Meeting. A notice has been received from a member pursuant to Section 160 of the Companies Act, 2013, signifying his intention to propose the appointment of Ms. Madhumita Ganguli as a Director of the Company.
- In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Ms. Vineeta Rai, Director of the Company shall retire by rotation at the ensuing Annual General Meeting. Ms. Vineeta Rai, being eligible, has offered herself for re-election.
- In pursuance to the provisions of Section 203 of the Companies Act, 2013, 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.

SEXUAL HARASSMENT

The Company has zero tolerance towards sexual harassment at the workplace. In order to comply with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the Company has formulated and implemented a policy on prevention, prohibition and redressal of complaints related to sexual harassment of women at the workplace. All women employees either permanent, temporary or contractual are covered under the above policy. An Internal Complaint Committee (ICC) has been set up in compliance with the said Act. During the year under review, five complaints pertaining to sexual harassment of women employees were reported to the Company and the same were investigated in accordance with the procedures prescribed and were redressed.

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, 2019 and of the profit of the Company for the year ended 31st March, 2019.
- 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

The details forming part of the extract of the Annual Return for the year ended 31st March, 2019, in Form MGT-9, as required under Section 92 of the Act, is annexed as Annexure 1 which forms an integral part of this Report and is also available on the Company's website viz. www.delhi.apollohospitals.com

AUDITORS AND AUDITORS' REPORT

M/s S.N. Dhawan & Co. LLP, Chartered Accountants were appointed as Statutory Auditors at the Twenty-ninth Annual General Meeting (AGM) of the Company held on 26th September, 2017, for a term of five consecutive 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 AGM.

The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 7, 2018, issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors.

The Report given by M/s. S. N. Dhawan & Co. LLP, Statutory Auditors on the financial statement of the Company for the year 2018-19 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 instances or matters of fraud have been reported by the Auditors to the Audit Committee or the Board.

SECRETARIAL AUDITOR

The Board has appointed M/s RSM & Co., Company Secretaries, to conduct Secretarial Audit for the financial year 2018-19. The Secretarial Audit Report for the financial year ended 31st March, 2019, is annexed herewith marked as Annexure-2, to this Report.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. covered under the Secretarial Audit. However, the Govt. of NCT of Delhi—one of the promoters of the Company, has not dematerialised their shareholding in the Company, as required under Regulation 31(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the Govt. of NCT of Delhi has not filed disclosure of shareholding for the financial year ended 31st March, 2019, to the Stock Exchanges, under Regulation 30 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

Requests have been made by the Company to the Govt. of NCT of Delhi to get their shareholding in the Company dematerialized and also to ensure compliance

of Regulation 30 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

COST AUDITOR

As per the requirements of the Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company is required to maintain cost records and accordingly, such accounts are made and records have been maintained every year.

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, 2019. The Cost Auditor has given the Cost Audit Report for the financial year ended 31st March 2019, and the Cost Audit Report does not contain any qualification, reservation or adverse remark.

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the Directors on the recommendation of the Audit Committee, re-appointed M/s Devarajan Swaminathan and Co., Cost Accountants (ICWA Registration No.100669) to audit the cost accounts of the Company for the financial year ending 31st March 2020 on a remuneration of Rs. 5.50 lakhs (previous year Rs. 5.50 lakhs).

As required under the Companies Act, 2013, the remuneration payable to the cost auditor is required to be placed before the Members in a general meeting for their ratification. Accordingly, a resolution seeking Member's ratification for the remuneration payable to M/s Devarajan Swaminathan and Co., Cost Accountants (ICWA Registration No.100669) for the financial year ending 31st March 2020, is proposed in the Notice convening the Annual General Meeting.

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

The Company has an internal financial control system, commensurate with the size, scale and complexity of operations to ensure that the Company's financial statements are accurate, sufficient and credible, 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. 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 of controls that such systems are adequate, 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.

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.

The Risk Management Committee identify elements of risks in different area of operations and to develop a policy for actions associated to mitigate the risks. The Risk Management Committee reviews and approves the risk management report on a quarterly basis before placing the same before the Board of Directors.

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, 2019, the Committee comprised four Directors viz. Ms. Vineeta Rai, Mr. S. Regunathan, Ms. Suneeta Reddy and Mr. Vinayak Chatterjee. Ms. Vineeta Rai is the Chairperson of the CSR Committee.

As part of its initiatives under Corporate Social Responsibility (CSR), the Company has undertaken projects in the areas of Sanitation, Promoting Education

and Health. These projects are in accordance with Schedule VII of the Companies Act, 2013.

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. Research in Healthcare

The report on CSR activities for the financial year 2018-19, 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 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, 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 Policy of the Company on directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, is available on the website of the Company, at <https://delhi.apollohospitals.com/downloads/Remuneration-Policy.pdf>.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, 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 provided in the Annual Report, which forms part of this Report.

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

Having regard to the provisions of Section 136(1) read with the relevant provisions of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the Registered Office of the Company during working hours. Any member interested in obtaining such information 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 are 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, 2019, is also attached with this report.

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, 2019, 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

Suneeta Reddy
(DIN : 00001873)
Director

Place: New Delhi
Date : 26th July, 2019

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

**EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2019**

[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	L24232DL1988PLC030958
(II) Registration Date	16 th March, 1988
(III) Name of the Company	Indraprastha Medical Corporation Limited
(IV) Category/ Sub Category of the Company	Company Limited by Shares/ Indian Non-government company
(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. Noble Heights, 1 st Floor, Plot NH 2 C-1 Block LSC, Near Savitri Market, Janakpuri, New Delhi - 110058. Phone: +91-011- 49411000 Fax: +91-011- 4941 1000 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, 2018)				No. of Shares held at the end of the year (31 st March, 2019)				% 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	-	-	-	-	-	-	-	-	-
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	33189	-	33189	0.04	-	-	-	-	(0.04)
J) Foreign Institutional /Banks	306796	14600	321396	0.35	265904	14600	280504	0.31	(0.04)
K) Funds others (specify)	-	-	-	-	-	-	-	-	-
Sub Total (B) (1)	339985	14600	354585	0.39	265904	14600	280504	0.31	(0.08)
2. Non Institutions									
a) Bodies Corporate									
1. Indian									
b) Individuals									
1. Individual shareholders holding nominal share capital upto Rs.1 Lakh	16929929	1698160	18628089	20.32	17208852	1501774	18710626	20.41	0.09
2. Individual shareholders holding nominal share capital in excess of Rs.1 Lakh	7690250	442000	8132250	8.87	8837591	411480	9249071	10.08	1.21
c) NBFC'S Registered with RBI	-	-	-	-	800	-	800	-	0
d) Others (specify)									
(d-i) Trusts	2870	-	2870	0.00	5470	-	5470	0.01	0.01
(d-ii) Non Resident Indians (Non Repat)	344005	-	344005	0.38	339291	-	339291	0.37	(0.01)
(d-iii) Non Resident Indians (Repat)	618078	1042442	1660520	1.81	635954	1009742	1645696	1.80	(0.01)
(d-iv) Clearing members	547175	-	547175	0.60	289378	-	289378	0.32	(0.28)
(d-v) Hindu Undivided Families	1467969	-	1467969	1.60	1528326	-	1528326	1.67	0.07
(d-vi) Body Corporate	13194337	129500	13323837	14.53	12237863	128600	12366463	13.49	(1.04)
(d-vii) Foreign Nationals	31240	-	31240	0.03	31240	-	31240	0.03	0.00
(d-viii) IEPF	428759	-	428759	0.47	474435	-	474435	0.52	0.05
(d-ix) Public PAC	-	1	1	0.00	-	-	-	-	-
Sub Total (B) (2)	41254612	3312103	44566715	48.61	41589200	3051596	44640796	48.70	1.30
Total Public Shareholding (B)= (B) 1 + (B) 2	41594597	3326703	44921300	49.00	41855104	3066196	44921300	49.01	1.22
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total A+B+C	64512096	27160904	91673000	100	64772603	26900397	91673000	100.00	-

(II) Shareholding of Promoters

S.No.	Shareholders Name	Shareholding at the beginning of the year (As on 1 st April, 2018)			Shareholding at the end of the year (As on 31 st March, 2019)			% 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, 2018)		Cumulative Shareholding during the year (1 st April, 2018 to 31 st March, 2019)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	0	0	0	0
	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	0	0
	At the end of the year			0	0

^{##} There is no change in promoters shareholding from 1st April, 2018 to 31st March, 2019)

(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, 2018)		Cumulative Shareholding during the year (1 st April, 2018 to 31 st March, 2019)		S.No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (1 st April, 2018)		Cumulative Shareholding during the year (1 st April, 2018 to 31 st March, 2019)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Housing Development Finance Corporation Limited										
	At the beginning of the year	6146897	6.70	6146897	6.70		17 Aug 2018	3402	0.00	1400471	1.53
	At the end of the year			6146897	6.70		07 Sep 2018	(1082)	(0.00)	1399389	1.53
2	EMEDLIFE INSURANCE BROKING SERVICES LIMITED						21 Sep 2018	2772	0.00	1402161	1.53
	At the beginning of the year	1273085	1.39	1273085	1.39		05 Oct 2018	48957	0.05	1451118	1.58
	06 Apr 2018	7710	0.01	1280795	1.40		12 Oct 2018	4216	0.00	1455334	1.59
	13 Apr 2018	7836	0.01	1288631	1.41		19 Oct 2018	17436	0.02	1472770	1.61
	27 Apr 2018	147	0.00	1288778	1.41		26 Oct 2018	5591	0.01	1478361	1.62
	04 May 2018	7771	0.01	1296549	1.42		02 Nov 2018	1106	0.00	1479467	1.62
	11 May 2018	10421	0.01	1306970	1.43		09 Nov 2018	3466	0.00	1482933	1.62
	25 May 2018	28299	0.03	1335269	1.46		16 Nov 2018	484	0.00	1483417	1.62
	01 Jun 2018	19391	0.02	1354660	1.48		21 Dec 2018	8959	0.01	1492376	1.63
	30 Jun 2018	2571	0.00	1357231	1.48		28 Dec 2018	3880	0.00	1496256	1.63
	06 Jul 2018	24178	0.03	1381409	1.51		01 Feb 2019	4020	0.00	1500276	1.64
	20 Jul 2018	1694	0.00	1383103	1.51		22 Feb 2019	3698	0.00	1503974	1.64
	27 Jul 2018	13966	0.02	1397069	1.53		01 Mar 2019	5200	0.01	1509174	1.65
							At the end of the year			1509174	1.65

S.No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (1 st April, 2018)		Cumulative Shareholding during the year (1 st April, 2018 to 31 st March, 2019)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
3	Citadel Research and Solutions Limited				
	<i>At the beginning of the year</i>	1054887	1.15	1054887	1.15
	06 Apr 2018	6286	0.01	1061173	1.16
	27 Apr 2018	1929	0.00	1063102	1.16
	04 May 2018	2003	0.00	1065105	1.16
	11 May 2018	9061	0.01	1074166	1.17
	01 Jun 2018	36795	0.04	1110961	1.21
	08 Jun 2018	6375	0.01	1117336	1.22
	22 Jun 2018	36222	0.04	1153558	1.26
	30 Jun 2018	387	0.00	1153945	1.26
	06 Jul 2018	14766	0.02	1168711	1.28
	20 Jul 2018	10890	0.01	1179601	0.18
	27 Jul 2018	4967	0.01	1184568	1.29
	03 Aug 2018	(280)	(0.00)	1184288	1.29
	10 Aug 2018	(26)	(0.00)	1184262	1.29
	07 Sep 2018	(1081)	(0.00)	1183181	1.29
	21 Sep 2018	2160	0.00	1185341	1.29
	<i>At the end of the year</i>			1185341	1.29
4	MEENAKSHI NARAYANAN INVESTMENTS (P) LTD				
	<i>At the beginning of the year</i>	900000	0.98	900000	0.98
	<i>At the end of the year</i>			900000	0.98
5	KETAN A SHAH				
	<i>At the beginning of the year</i>	110000	0.12	110000	0.12
	06 Apr 2018	170000	0.19	280000	0.31
	13 Apr 2018	21234	0.02	301234	0.33
	20 Apr 2018	33766	0.04	335000	0.37
	27 Apr 2018	2000	0.00	337000	0.37
	04 May 2018	3000	0.00	340000	0.37
	11 May 2018	6000	0.01	346000	0.38
	18 May 2018	104000	0.11	450000	0.49
	08 Jun 2018	19000	0.02	469000	0.51
	15 Jun 2018	(19000)	(0.02)	450000	0.49
	20 Jul 2018	1606	0.00	451606	0.49
	27 Jul 2018	(1606)	(0.00)	450000	0.49
	17 Aug 2018	(53610)	(0.06)	396390	0.43
	24 Aug 2018	(890)	(0.00)	395500	0.43
	31 Aug 2018	(20500)	(0.02)	375000	0.41
	07 Sep 2018	(68000)	(0.07)	307000	0.33
	29 Sep 2018	2141	0.00	309141	0.34
	05 Oct 2018	3859	0.00	313000	0.34
	12 Oct 2018	62527	0.07	375527	0.41
	19 Oct 2018	14898	0.02	390425	0.43
	26 Oct 2018	5075	0.01	395500	0.43
	02 Nov 2018	331500	0.36	727000	0.79
	16 Nov 2018	8000	0.01	735000	0.80
	07 Dec 2018	(7451)	(0.01)	727549	0.79
	14 Dec 2018	9451	0.01	737000	0.80
	21 Dec 2018	5	0.00	737005	0.80
	08 Feb 2019	2995	0.00	740000	0.81
	15 Mar 2019	(8340)	(0.01)	731660	0.80
	22 Mar 2019	11340	0.01	743000	0.81
	<i>At the end of the year</i>			743000	0.81
6	GAGAN OMPRAKASH NAVANI				
	<i>At the beginning of the year</i>	592006	0.65	592006	0.65
	06 Jul 2018	(592006)	(0.65)	0	0.00
	10 Aug 2018	592006	0.65	592006	0.65
	<i>At the end of the year</i>			592006	0.65

S.No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (1 st April, 2018)		Cumulative Shareholding during the year (1 st April, 2018 to 31 st March, 2019)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
7	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS				
	<i>At the beginning of the year</i>	428759	0.47	428759	0.47
	22 Feb 2019	45262	0.05	474021	0.52
	01 Mar 2019	414	0.00	474435	0.52
	<i>At the end of the year</i>			474435	0.52
8	ANIRUDHA KUMAR				
	<i>At the beginning of the year</i>	300000	0.32	300000	0.32
	<i>At the end of the year</i>			300000	0.32
9	MUKT CHETAN GUPTA				
	<i>At the beginning of the year</i>	294408	0.32	294408	0.32
	<i>At the end of the year</i>			294408	0.32
10	VISHWESHWAR REDDY.K				
	<i>At the beginning of the year</i>	114531	0.12	114531	0.12
	06 Jul 2018	23024	0.03	137555	0.15
	27 Jul 2018	30527	0.03	168082	0.18
	21 Sep 2018	3298	0.00	171380	0.19
	05 Oct 2018	16089	0.02	187469	0.20
	12 Oct 2018	40024	0.04	227493	0.25
	19 Oct 2018	7779	0.01	235272	0.26
	16 Nov 2018	879	0.00	236151	0.26
	30 Nov 2018	2256	0.00	238407	0.26
	21 Dec 2018	7870	0.01	246277	0.27
	28 Dec 2018	3880	0.00	250157	0.27
	22 Feb 2019	5106	0.01	255263	0.28
	01 Mar 2019	6959	0.01	262222	0.29
	15 Mar 2019	5770	0.01	267992	0.29
	<i>At the end of the year</i>			267992	0.29
11	ADITYA BIRLA SUN LIFE INSURANCE COMPANY LIMITED				
	<i>At the beginning of the year</i>	813547	0.89	813547	0.89
	26 Oct 2018	(202337)	(0.22)	611210	0.67
	02 Nov 2018	(506048)	(0.55)	105162	0.11
	09 Nov 2018	(105162)	(0.11)	0	0.00
	<i>At the end of the year</i>			0	0.00
12	ASHOK KUMAR JAIN				
	<i>At the beginning of the year</i>	243871	0.27	243871	0.27
	20 Apr 2018	180	0.00	244051	0.27
	18 May 2018	(79102)	(0.09)	164949	0.18
	20 Jul 2018	(8507)	(0.01)	156442	0.17
	27 Jul 2018	(18000)	(0.02)	138442	0.15
	03 Aug 2018	(4156)	(0.00)	134286	0.15
	31 Aug 2018	(10000)	(0.01)	124286	0.14
	07 Sep 2018	(24235)	(0.03)	100051	0.11
	07 Dec 2018	20539	0.02	120590	0.13
	18 Jan 2019	(10897)	(0.01)	109693	0.12
	15 Feb 2019	(34842)	(0.04)	74851	0.08
	22 Feb 2019	(52333)	(0.06)	22518	0.02
	01 Mar 2019	(12000)	(0.01)	10518	0.01
	08 Mar 2019	(4500)	(0.00)	6018	0.01
	15 Mar 2019	(6018)	(0.01)	0	0.00
	<i>At the end of the year</i>			0	0.00

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, 2018)		Cumulative Shareholding during the year (1 st April, 2018 to 31 st March, 2019)	
		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				
	<i>At the beginning of the year</i>	237187	0.26	237187	0.26
	<i>Increase/Decrease during the year</i>	-	-	-	-
	<i>At the end of the year</i>			237187	0.26
2	Ms Suneeta Reddy				
	<i>At the beginning of the year</i>	138293	0.15	138293	0.15
	<i>Increase/Decrease during the year</i>	-	-	-	-
	<i>At the end of the year</i>			138293	0.15
3	Ms. Shobana Kamineni				
	<i>At the beginning of the year</i>	116918	0.13	116918	0.13
	<i>Increase/Decrease during the year</i>	-	-	-	-
	<i>At the end of the year</i>	-	-	116918	0.13
4	Mr Ashok Bajpai *				
	<i>At the beginning of the year</i>	-	-	-	-
	<i>Increase/Decrease during the year</i>	-	-	-	-
	<i>At the end of the year</i>	-	-	-	-
5	Mr. Deepak Vaidya				
	<i>At the beginning of the year</i>	-	-	-	-
	<i>Increase/Decrease during the year</i>	-	-	-	-
	<i>At the end of the year</i>	-	-	-	-
6	Mr. T. S Narayanasami				
	<i>At the beginning of the year</i>	-	-	-	-
	<i>Increase/Decrease during the year</i>	-	-	-	-
	<i>At the end of the year</i>	-	-	-	-
7	Mr. S. Regunathan				
	<i>At the beginning of the year</i>	-	-	-	-
	<i>Increase/Decrease during the year</i>	-	-	-	-
	<i>At the end of the year</i>	-	-	-	-
8	Mr. Satnam Arora				
	<i>At the beginning of the year</i>	-	-	-	-
	<i>Increase/Decrease during the year</i>	-	-	-	-
	<i>At the end of the year</i>	-	-	-	-

S.No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (1 st April, 2018)		Cumulative Shareholding during the year (1 st April, 2018 to 31 st March, 2019)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
9	Ms. Renu S Karnad**				
	<i>At the beginning of the year</i>	-	-	-	-
	<i>Increase/Decrease during the year</i>	-	-	-	-
	<i>At the end of the year</i>	-	-	-	-
10	Ms. Vineeta Rai				
	<i>At the beginning of the year</i>	1	0.00	1	0.00
	<i>Increase/Decrease during the year</i>	-	-	-	-
	<i>At the end of the year</i>	-	-	1	0.00
11	Dr Arun Rai				
	<i>At the beginning of the year</i>	-	-	-	-
	<i>Increase/Decrease during the year</i>	-	-	-	-
	<i>At the end of the year</i>	-	-	-	-
12	Mr Vinayak Chatterjee				
	<i>At the beginning of the year</i>	-	-	-	-
	<i>Increase/Decrease during the year</i>	-	-	-	-
	<i>At the end of the year</i>	-	-	-	-
B Key Managerial Personnel					
1	Mr. Ashok Bajpai-Managing Director *				
	<i>At the beginning of the year</i>	-	-	-	-
	<i>Increase/Decrease during the year</i>	-	-	-	-
	<i>At the end of the year</i>	-	-	-	-
2	Mr Ajay Kumar Singhal- Vice President cum Company Secretary				
	<i>At the beginning of the year</i>	200	0.00	200	0.00
	<i>Increase/Decrease during the year</i>	-	-	-	-
	<i>At the end of the year</i>	-	-	200	0.00
3	Mr. C.P Tyagi- Chief Financial Officer				
	<i>At the beginning of the year</i>	-	-	-	-
	<i>Increase/Decrease during the year</i>	-	-	-	-
	<i>At the end of the year</i>	-	-	-	-

* Resigned from the position of Managing Director of the Company w.e.f. 15-06-2019

** Resigned from the position of Non Executive director from the Company on 08-03-2019

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Amount in Rs. million)

Sl.No.	Description	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year					
i)	Principal Amount	270	200	-	470
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	-	-	-	-
	Total (i+ii +iii)	270	200	-	470
Change in Indebtedness during the financial year					
	Addition	-	100	-	100
	Reduction	(60)	(300)	-	(360)
	Net Change	(60)	(200)	-	(260)
Indebtedness at the end of the financial year					
i)	Principal Amount	210	-	-	210
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	-	-	-	-
	Total (i+ii +iii)	210	-	-	210

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amount in Millions)

S.No.	Particulars of Remuneration	Name of Managing Director Mr Ashok Bajpai *	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	16.73	16.73
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.72	0.72
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-
2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as% of profit		
	- others, specify.		
	Total A	17.45	17.45
	Ceiling as per the Act	Rs 23.10 million (being 5% of the net profit of the Company calculated as per Section 198 of the Companies Act, 2013)	

** Resigned from the position of Managing Director of the Company w.e.f. 15-06-2019

B. Remuneration to other directors:

(Amount in Millions)

S.No.	Particulars of Remuneration	Name						Total Amount
1	Independent Directors	Mr Deepak Vaidya	Mr T. S Naryanasami	Mr Satnam Arora	Mr. S. Regunathan	Dr Arun Rai	Mr Vinayak Chatterjee	
	(a) Fee for attending Board committee meetings	0.16	0.12	0.22	0.16	0.08	0.12	0.86
	(b) Commission	0.25	0.25	0.25	0.25	0.25	0.25	1.50
	(c) Others	-	-	-	-	-	-	-
	Total (1)							2.36

(Amount in Millions)

S.No.	Particulars of Remuneration	Name					Total Amount
2	Other Non Executive Directors	Dr Prathap C. Reddy	Ms. Suneeta Reddy	Ms. Shobana Kamineni	Ms. Vineeta Rai	Ms. Renu S. Karnad	
	(a) Fee for attending Board committee meetings	0.04	0.18	0.06	0.16	0.04	0.48
	(b) Commission	0.25	0.25	0.25	0.25	0.25	1.25
	(c) Others	-	-	-	-	-	-
	Total (2)						1.73
	Total(B)=(1+2)						4.09
	Total Managerial Remuneration (A+B)	Rs 21.49					
	Overall Ceiling as per the Act	Rs 50.81 (being 11% of the net profit of the Company calculated as per Section 198 of the Companies Act, 2013)					

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

(Amount in Millions)

S.No.	Particulars of Remuneration	Mr Ajay Kumar Singhal- Vice President cum Company Secretary	Mr C.P Tyagi-Chief Financial Officer	Total Amount
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	10.25	7.68	17.93
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.9	0.41	1.31
	(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	11.15	8.09	19.24

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, 2019

[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

To

The Members
Indraprastha Medical Corporation Limited
CIN : L24232DL1988PLC030958
Sarita Vihar, Delhi - Mathura Road,
New Delhi -110076

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 31st March, 2019 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, 2019 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; (Not applicable to the company during the financial year 2018-2019);

- (d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the financial year 2018-2019);
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. (Not applicable to the Company during the financial year 2018-2019);
- (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; (Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the Financial Year 2018-2019);
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the year 2018-2019);
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the financial year 2018-2019); 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 with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
- (ii) 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 except the following:-
- The Govt. of NCT of Delhi is one of the promoters of the Company and is holding 23834200 Equity Shares of Rs.10/- each fully paid-up in the Company. However, these shares are yet to be dematerialised as required under Regulation 31(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the Govt. of NCT of Delhi has not filed disclosure of shareholding for the financial year ended 31st March, 2019, to the Stock Exchanges, under Regulation 30 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) regulations, 2011.*

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, Independent Directors and Woman 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
Date : 26th April, 2019

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

To

The Members
Indraprastha Medical Corporation Limited
CIN : L24232DL1988PLC030958
Sarita Vihar, Delhi - Mathura Road,
New Delhi -110 076

Re: Our Secretarial Audit Report for the Financial Year ended 31st March, 2019 of even date is to be read along with this letter

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 : 26th April, 2019

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 Mr. Vinayak Chatterjee - Independent Director
3.	Average net Profit for last 3 financial years	Rs. 3825.64 lakhs
4.	Prescribed CSR expenditure (two percent of the amount as in item 3 above)	Rs. 76.51 lakhs
5.	Details of CSR spent during the financial year	
	a. Total amount to be spent for the financial year	Rs. 87.37 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 2018-19

S. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs Area, District	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	650,000	688,508	-	688,508	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. An initiative that is much appreciated by the schools.							
	Construction/Improvement of infrastructure in AADI insitution for disabled children	Promoting Education [Schedule VII (ii)]	Schools identified in Badarpur	1,215,000	1,215,000	-	1,215,000	Implementing agency
	<i>Project Synopsis:</i> Further to the successful completion of school toilets in three schools as under FY 2016-17, the collaboration with noted international NGO Rotary Foundation was continued in 2018-19. Work was proposed in AADI, and NGO run institution for disabled due to delay in permission received from Directorate of Education for works proposed in schools in the previous financial year 2017-18.							
2	A Healthy Start — Partnership with NGOs and Community Support Organisations to expand outreach to underprivileged children							
	Critical education and 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	1,325,000	1,325,000	-	1,325,000	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. The work began in 2016-17 was taken forward and is being very well received.							

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 *
			Area, District		Direct	Overheads		
	Psychosocial rehabilitation for paediatric cancer patients through Art for Healing programme	Promoting healthcare [Schedule VII (i)]	Delhi	150,000	150,000	-	150,000	Direct
	<i>Project Synopsis:</i> In order to bring positivity to cancer afflicted children in Indraprastha Apollo Hospitals, psycho-social activities under Art for Healing was taken up as a pilot project for three months. The NGO organised playful sessions with clowns for cancer-afflicted children undergoing treatment in hospital. These sessions helped them deal with pain. The project was successful and the sessions much loved and appreciated by children, their families and doctors.							
3	Scholarships for 200 deserving underprivileged school students to promote educational excellence	Promoting education [Schedule VII (ii)]	Delhi Government Senior Secondary Schools in Jasola and Tughlaqabad, New Delhi	400,000	400,000	-	400,000	Direct
	<i>Project Synopsis:</i> Furthering its commitment to underprivileged school children, Apollo Hospitals Scholarship was given to 200 meritorious children in two Delhi Government Senior Secondary project schools. After an examination, 100 winners in each school (200 winners in total) were awarded Rs 2000/- each in cheques. Winners were also presented with Apollo Hospitals Scholarship Certificates in two separate school events.							
4	Health Camp for Underprivileged Community	Preventive healthcare [Schedule VII (i)]	Delhi	570,000	568,000	-	568,000	Direct
	<i>Project Synopsis:</i> Adopting Shakur Basti underprivileged community for two monthly health camps and check-ups. One general camp and one specialized health camp for mothers and children were held per month. Branding was in the name of Apollo Aarogya Camps and Apollo MatruShishu Camps. The camps were highly appreciated by the community							
5	Health Camps for deserving underprivileged communities in proximate areas including monthly camps for pregnant women	Preventive healthcare [Schedule VII (i)]		600,000	520,000	-	520,000	Direct
	<i>Project Synopsis:</i> Monthly health camps for underprivileged pregnant women were held to ensure they had access to preventive health care and a health camp was also held in Rishiskesh during International Yoga Festival and in a village nearby							
6	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.							
7	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	550,000	-	550,000	Direct & donation to Vidya NGO (education) and Udaan for disabled)
	Salaries	-	Delhi	390,000	1,320,187	-	1,320,187	Direct
	<i>Project Synopsis:</i> Expenses on account of transport to project sites, travel.							
B	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	1,000,000	1,000,000	-	1,000,000	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).							
				7,800,000	8,736,695	-	8,736,695	

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.

MANAGEMENT DISCUSSION & ANALYSIS

Healthcare is more than medicine and doctors—it is being aware of one’s body and pursuing wellness. It means preventive medicine, health checks, and assured, equitable access to basic healthcare facilities. All of these in some measure, contribute to a better quality of life for a nation’s people.

Regardless of economic strata or geographical location, nothing is more important to a person than his health. For this reason, people interact with the local healthcare system in various ways and to differing degrees throughout one’s life. Until recently healthcare consumers have interacted with the health system only when they were sick or injured. But the future of health is going to usher significant changes to that norm. It is going to focus on well-being and prevention rather than treatment. According to Deloitte Centre for Health Solutions, by 2040, more health spends will be devoted to sustaining well-being and preventing illness while less will be tied to treating illness. Greater emphasis on identifying health risks earlier will result in fewer and less severe diseases, which will reduce healthcare spending and allow the reinvestment of this well-being dividend towards expanding the benefits to the broader population.

The use of actionable health insights will be driven by interoperable data and smart AI. This will help identify illness early, enable proactive intervention and improve the understanding of disease progression. Technology will also help break down barriers such as cost and geography and democratize healthcare. Data and technology will empower the consumer to such an extent that the consumer rather than health plans or providers, will determine when, where, and with whom they will engage to sustain well-being or to seek care.

UNDERSTANDING INDIA’S HEALTHCARE SERVICES LANDSCAPE

Many studies have shown that health can be a leading factor that affects a country’s aggregate level of economic growth. A comparison of the basic health indicators clearly reveals that the developed nations of the world fare far better on healthcare provision and utilization, when compared to developing nations. The allocation of resources—money, infrastructure, people, education, and products, one of the biggest differences between developed and developing countries, is the main reason for this. Countries with low human development have made lower allocations to healthcare infrastructure and as a result, the sector as a whole remains largely untapped and neglected. The primary challenge then for a developing country today, is ensuring universal healthcare—how can access to healthcare be improved, both in terms of reach and affordability; how can the

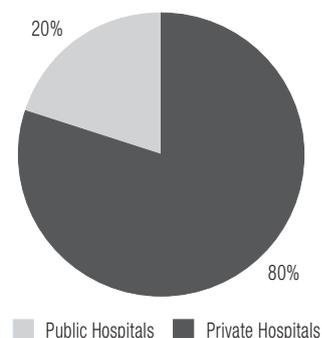
needs of the vulnerable and under-privileged populations be addressed rather than overlooked?

India’s basic and limited healthcare infrastructure is starkly inadequate for meeting the demands of her large and diverse population. The unmet opportunity combined with strong fundamentals in the market, has led to the emergence of private healthcare service providers, giving a fillip to the country’s healthcare system. Today, India has one of the largest private health sectors in the world, mainly because the country’s Public Healthcare facilities have neither been able to meet the needs of the population adequately nor reach the interiors of the country. Additionally, several of these facilities are understaffed, poorly equipped in terms of basic infrastructure and equipment, and severely lack even basic quality standards. In contrast, private healthcare institutions provide world class facilities, employ highly skilled and globally recognized professionals, leverage advanced technology in treatments, and maintain high standards of quality. Admittedly, this is a phenomenon in the Tier I urban areas of the country, but nevertheless, the private sector has done a commendable job in creating these pockets of excellence while simultaneously generating significant value. The enduring success of the early movers has encouraged the emergence of multiple players in this space and spawned industry diversification and in-depth specialization. The Indian healthcare industry has today become a preferred sector for strategic and financial investments.

Private sector players occupy a major share of nearly 80% of the country’s total healthcare market. They also account for almost 74% of the country’s total healthcare expenditure. Their share in hospitals alone is estimated at 74% while the share of hospital beds is estimated at 40%.

Some other important Government of India’s initiatives in healthcare sector can be summed up as below:

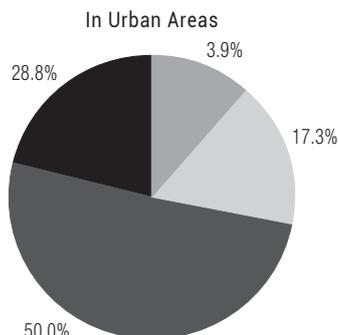
Share in the Total Health Market



Source: A report on ‘Indian Hospital Services Market Outlook’ by consultancy RNCOS, Grant Thornton, LSI Financial Services, OECD

Based on the success and breadth of services offered by the private sector hospitals, rural populations are increasingly seeking care from this sector. Of all the levels of care mentioned in the chart below, treatment by a private doctor/clinic is the single most important point of contact for treatment of ailments for rural areas (50.7%) and urban areas (49.3%). This is followed by treatments at private hospitals, public hospitals and Health Sub Centres (HSC), Primary Health Centres (PHC) & others.

Percentage of ailments treated by different levels of care



Source: MoSPI, NSS 71st Round (January-June 2014)

Note: Public sector includes HSCs, PHCs & others*, and public hospitals. Private sector includes private doctors/clinics and hospitals.

* Others include Auxillary Nurse Midwives (ANM), Accredited Social Health Activists (ASHA), Anganwadi Workers (AWW), Dispensaries, Continuing Health Care (CHC), and Mobile Medical Units (MMU)

GOVERNMENT INITIATIVES THAT SUPPORT SECTIONAL GROWTH

It is important to mention that the Country's healthcare sector is strongly supported by the Indian Government which has been undertaking commendable work to develop India as a global healthcare hub. The Government has a goal of raising its healthcare spending to 2.5% of GDP from the current level of 1.1% of the GDP by 2025 under the National Health Policy 2017.

Over the years, several initiatives to drive the growth of the healthcare sector in the country have been yielding positive results. These initiatives have gone a long way in not only improving the overall healthcare access for the general population but have also enhanced the quality of healthcare in the country.

Some important healthcare initiatives undertaken in the Union Budget 2019-20 are as follows:

1. The allocation to the Ministry of Health and Family Welfare has increased by 16.28% year-on-year to USD 8.51 billion.
2. The Government of India has allocated a sum of USD 4.40 billion under the National Health Mission.
3. The Government has announced setting up of 24 new Government medical colleges and hospitals by upgrading existing district hospitals in the country.
4. The Ayushman Bharat – Pradhan Mantri Yojana (PMJAY), the largest Government funded healthcare

programme targeting more than 500 million beneficiaries, has been allocated a sum of USD 887.04 million.

Additionally, the Government of India has launched a registry with standardized, authentic and updated geo-spatial data of all public and private healthcare facilities called the National Health Resource Repository (NHRR) in June 2018.

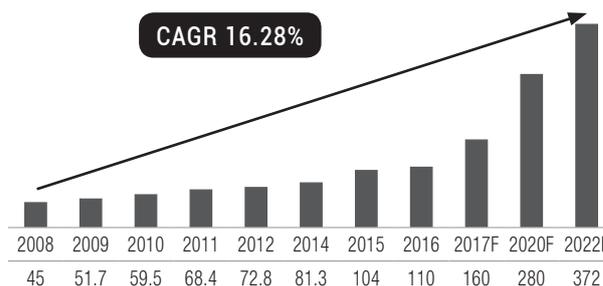
India had bilateral trade relations with 53 countries in the healthcare sector, as of August 2018. These relationships will potentially encourage joint initiatives in health manpower development, training, exchange of experts, exchange of information, capacity building, and technical support in establishing laboratories/hospitals and research.

GROWING MARKET SIZE

As per a report from the Ministry of Commerce and Industry, the Indian healthcare sector, which stood at a size of USD 110 billion in 2016, is expected to reach a size of over USD 372 billion by 2022, registering a CAGR of 22%. The hospital industry in India stood at USD 61.79 billion in 2017 and is expected to increase at a 16-17% CAGR to reach a size of USD 132.84 billion by 2023. The Country ranks 145 among 195 countries in terms of quality and accessibility of healthcare. These statistics indicate that there is tremendous scope for enhancing healthcare services penetration in India and ample opportunity for the development of the healthcare industry as a whole. Conducive policies for encouraging FDI, tax benefits, and favourable Government policies coupled with promising growth prospects are helping the industry attract private equity, venture capital and foreign players. Today, Indian companies are entering into alliances with domestic and foreign companies to drive growth and gain new markets. Going ahead, strong fundamental factors such as rising income levels, ageing population, growing health awareness and changing attitude towards preventive healthcare are expected to boost healthcare services demand.

The Indian healthcare sector was ranked as the 4th largest employer with a total employee base of 319,780 people in FY17. By 2020, the sector is expected to generate 40 million jobs in India. The Country is also expected to rank amongst the top 3 healthcare markets in terms of incremental growth by 2020.

Healthcare sector growth trend (USB billion)

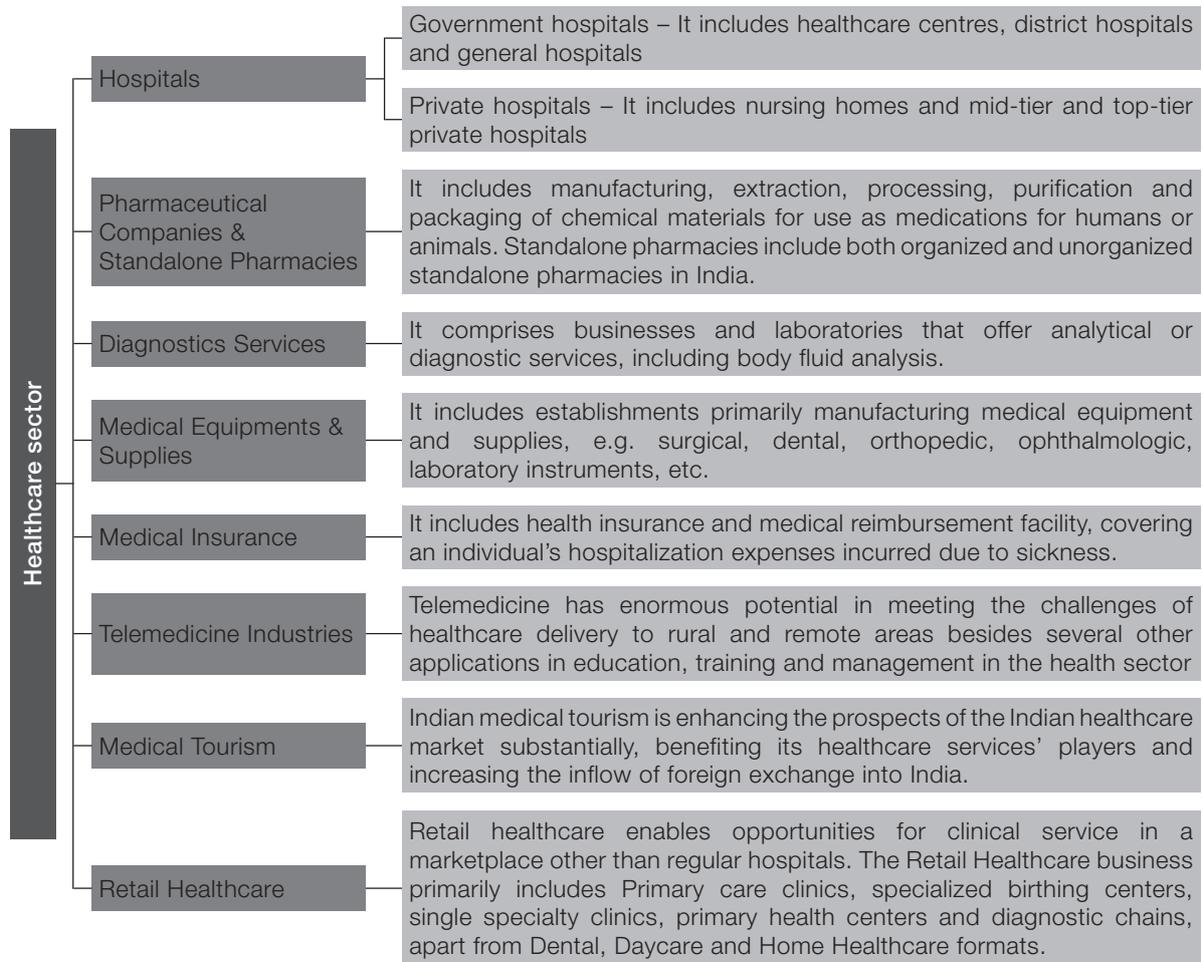


THE HEALTHCARE SERVICE DELIVERY LANDSCAPE IN INDIA

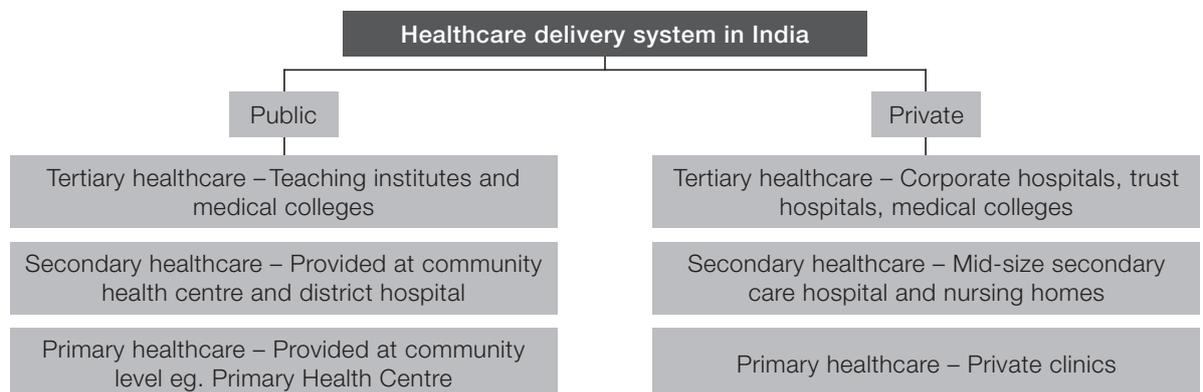
The Healthcare sector in India broadly includes Hospitals, Pharmaceutical Companies & Standalone Pharmacies, Diagnostic Services, Medical Equipment and Supplies, Medical Insurance, Telemedicine Companies, Medical Tourism and Retail Healthcare.

STRUCTURE OF HEALTHCARE DELIVERY LANDSCAPE IN INDIA

The Healthcare sector is primarily 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. However, a major portion of the secondary and tertiary healthcare institutions which are concentrated in the metros, Tier II and Tier I cities, are run by the private sector.



Source: Hospital Market – India by Research on India, Aranca Research



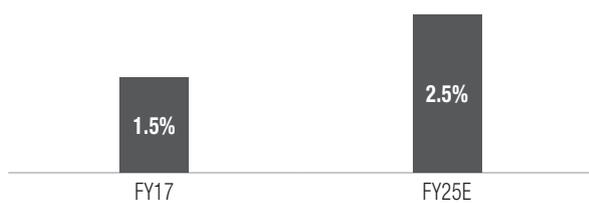
Source: Frost & Sullivan Analysis

HOW DOES INDIA'S HEALTHCARE INFRASTRUCTURE COMPARE WITH GLOBAL BENCHMARKS?

The Government of India's expenditure on healthcare stood at 1.5% of GDP in FY17. In comparison to other countries, this figure not only falls behind those of developed countries such as the US and UK, but also developing countries such as Brazil and Malaysia

Economically weaker States in India are particularly susceptible to low public health investments. The continued disparity of healthcare spends between urban and rural areas has resulted in sharp disparity in healthcare availability across the country. The Government of India is planning to increase public health spending to 2.5% of the Country's GDP by 2025.

Healthcare spending as a percentage of GDP



Source: WHO World Health Statistics 2015, E&Y, LSI Financial Services

Even though the Country is witnessing a rapid expansion in the healthcare sector, the shortage of medical workforce remains a big challenge.

As per World Health Statistics primary data 2007-2016, the density of physicians per 1,000 population for India stands at 0.8 which is very low compared to the number for USA that stands at 2.6. As per the National Health Profile 2018, India has a density of 30.2 skilled health professionals (physicians/nurses/midwives) per 10,000 population and the Sustainable Development Goal (SDG) target is a density of 44.5 per 10,000 population. To achieve the ratio reported by the USA with respect to the density of physicians, India will require an addition of around 24.4 lakh physicians in the country.

Additionally, hospital bed density in India is merely 0.9 per 1,000 persons, while the minimum advocated by the WHO is 3.5 beds per 1000 people. It is estimated that an additional 3 million beds will be needed to achieve the target of 3 beds per 1,000 people by 2025. These statistics indicate the alarming healthcare infrastructure gap in the country and the tremendous growth potential of the Indian healthcare industry for the country to progress towards the global mean.

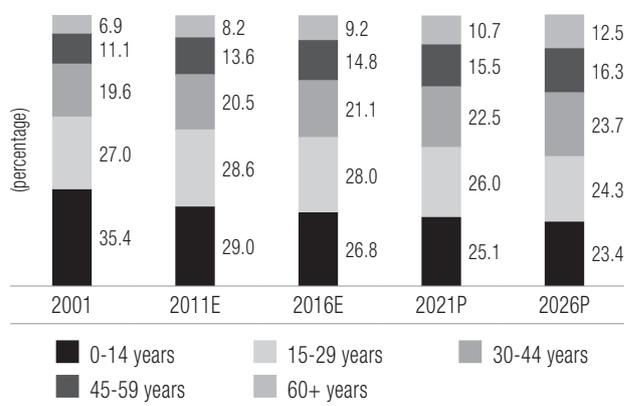
FORCES OF CHANGE AND POTENTIAL GROWTH DRIVERS IN INDIA

Strong fundamentals inherent to the sector are expected to accelerate further growth of healthcare demand in India. The industry in India is broadly characterized by the following:

Increase in population and demographic trends

With improving life expectancy, the demography of the country is also witnessing a change. As of 2011, nearly 8% of the Indian population was aged 60 years or more, and this is expected to surge to 12.5% by 2026. However, the availability of a documented knowledge base concerning the healthcare needs of the elderly (aged 60 years or more) continues to remain a challenge, although the higher vulnerability of this age group to health-related issues is an accepted fact.

Break-up of population by age



Source:CRISIL Research

According to the Report on Status of Elderly in Select States of India 2011, published by the United Nations Population Fund (UNFPA) in November 2012, chronic ailments such as arthritis, hypertension, diabetes, asthma, and heart diseases were commonplace among the elderly, with ~66% of the respective population reporting at least one of these. In terms of gender-based tendencies, while men were more likely to suffer from heart, renal and skin diseases, women showed higher tendencies of contracting arthritis, hypertension, and osteoporosis.

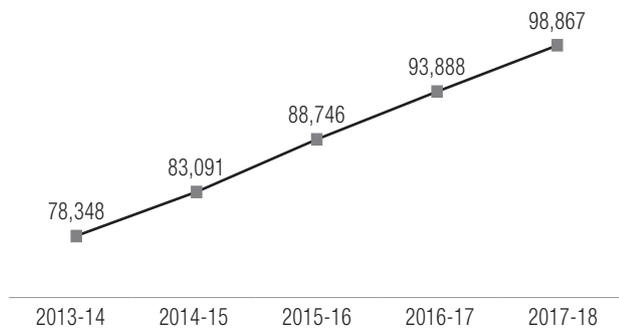
With the Indian population expected to grow to ~1.44 billion by 2023 and considering the above mentioned factors, the need to ensure access to healthcare services for this vast populace is an imperative. This provides an attractive opportunity to expand into a sector with huge potential for growth.

Rising per capita income and widening of income inequalities

According to the IMF, the Indian economy is poised to be one of the top five economies by 2020, following robust GDP growth supported by a strong industry base. The last decade has witnessed remarkable economic development with rise in per capita income which has paved the way for increasing demand of healthcare services and access to better healthcare facilities. However, even as India continues to develop, the difference in earnings is giving rise to wide levels of inequality. The people in the various income slab categories fall into unique baskets typified by varying healthcare needs. Each of these presents a market in terms of the addressable value proposition. The growth in the affordable segment of population, on

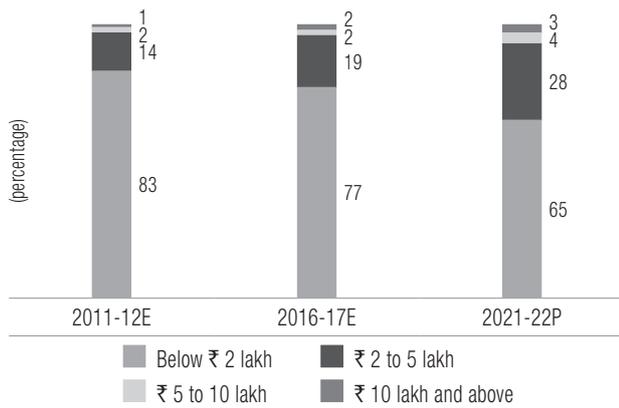
account of rising income levels, supports the need for quality medical care that comes at a relatively higher price. Growth in household incomes, and consequently, disposable incomes, is, therefore, critical to the overall growth in demand for healthcare delivery services in India. The share of households falling in the income bracket above Rs 2 lakhs is expected to go up to 35% in 2021-22 from 23% in 2016-17, providing a potential target segment (with more paying capacity) for hospitals.

Trend in India's per capita Gross Domestic Product (GDP) at constant market prices (in ₹)



Source: CME, Base year 2011-12

Income Demographics



Source: CRISIL Research

Under-Served, Under-Consumed

The healthcare service delivery landscape demonstrates a lag with regard to accessibility and geographical reach in meeting the requirements of the nation's 1.3 billion people, almost 70 percent of who, live in rural areas. Public health care institutions—ranging from primary health centers that form the backbone of the system in rural areas to larger district-level hospitals are hampered by a lack of manpower and inadequate resources such as diagnostics, pathology services and stock-outs.

In terms of global comparison, with only 1 bed per 1,050 population, versus a global average of approximately 2.9 beds per 1,000 population, the current hospital infrastructure in India is woefully inadequate. Approximately 1.7 million beds have to be added by 2025 to meet the rising demand

and address the current shortage. A combination of unaffordability and minimum access to healthcare facilities, especially for the under privileged people belonging to the lower strata of society has led to a massive under consumption of healthcare services in the country.

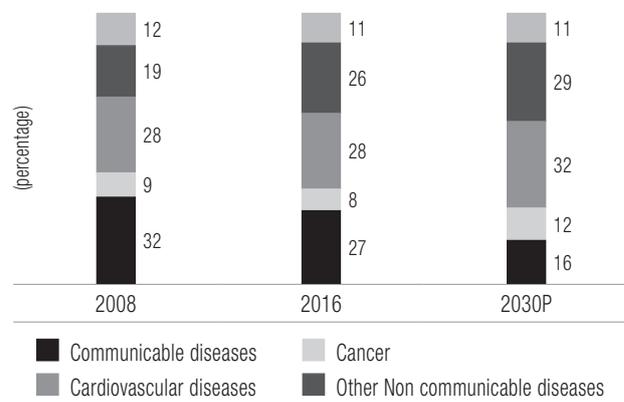
Transition in disease profile

As opposed to the decreasing rate in communicable diseases, lifestyle-related illnesses or non-communicable diseases (NCDs) have been increasing rapidly in India over the last few years. The contribution of NCDs to the total disease profile has risen from 30% in 1990 to 55% in 2016. Statistics show that these illnesses accounted for nearly 62% of all deaths in India in 2016. As per the World Economic Forum, the world will lose nearly 30 trillion USD by 2030 for NCD treatments and India's share of this burden will be 5.4 trillion USD.

The contribution of a group of risks towards this disease burden—unhealthy diet, high blood pressure, high blood sugar, high cholesterol and obesity, which mainly cause ischemic heart disease, stroke and diabetes—has risen to nearly 25% in 2016. Although the combination of these risks was highest for states like Punjab, Tamil Nadu, Kerala, Andhra Pradesh and Maharashtra, it has increased in all other states as well. There were 380 lakh cases of cardiovascular diseases (CVDs) in 2005; this rose to nearly 641 lakh cases in 2015.

CRISIL Research believes that NCDs exhibit a tendency to increase in tandem with rising income levels. WHO projects an increasing trend in NCDs by 2030, following which CRISIL has forecast rising demand for healthcare services associated with lifestyle-related diseases such as cardiac ailments, cancer and diabetes. Another emerging market in the country is orthopaedics, which currently comprises a very small proportion as compared with NCDs. The orthopaedics market can be classified into four different segments, viz., knee, hip, trauma, and spine, of which the knee replacement market holds the biggest share, followed by trauma and spine. Contrary to other countries, hip replacement in India is still a very small segment as compared to knee replacements.

Causes of Death in India



Source: WHO Global burden of disease, India; Health of the Nations States, CRISIL Research

Health Infrastructure is skewed towards urban areas

Healthcare infrastructure is very asymmetric between rural and urban India. The current healthcare facilities in Tier II and Tier III cities still remain far behind in comparison to urban areas with many rural areas lacking even basic amenities. Rural infrastructure has largely been supported by public health facilities which are ill equipped to deal with the massive need for healthcare access. The concentrated healthcare facilities in urban areas are not so easily accessible for most of the people living in rural and remote areas of the country.

Low per capita income, low expenditure on healthcare, and low 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. Apart from these issues, drinking water facilities, nutritional intake, sanitation facilities, awareness about diseases, etc. are also important factors that influence the health of a person. Urban areas are believed to have a better score on these parameters. Today, there exists a substantial demand for high-quality and specialist healthcare services in Tier-II & Tier-III cities.

Changing Nature of Cities and Towns

Earlier, patients travelled from various parts of the country to well-known healthcare centres, usually concentrated in pockets within key urban cities, to access services. Even within the same city, some facilities would be more popular with patients. With cities and metros quickly increasing in size and numbers, large standalone multi-specialty hospitals are being overlooked by residents in favour of neighbourhood facilities as they offer easier travel options and other conveniences. These centres are also less intimidating to consumers and require lower capital to set up. Economic migration has numbed the traditional doctor-patient dynamic. Patients are therefore increasingly found to be accessing healthcare services which are conveniently located near their homes.

Increasing health awareness to boost hospitalisation rate

Although a majority of healthcare enterprises in India are concentrated in urban areas, increasing migration of the people from rural to urban areas, has heightened awareness about the availability of healthcare services for both preventive and curative care. This is bound to increase further. CRISIL Research, therefore, believes that hospitalisation rate for in-patient treatment as well as “walk-in” out-patients will surge with growing urbanization and increasing literacy.

Scaling up of Medical Value Travel (MVT)

MVT is a burgeoning multi-billion dollar industry and likely to grow further due to the many benefits offered to patients. India has emerged as a pre-eminent destination for medical tourism and is one of the major hubs in the world (along with Thailand, Singapore, Malaysia and South Korea). A rare combination of world-class hospitals, equipped with

best-in-class technology, skilled medical professionals, low treatment costs, and process improvements like e-medical visa, have made India a preferred destination for medical tourism. Treatments that are most in demand include heart surgeries, knee implants, cosmetic surgeries and dental care—all of which are largely driven by the private sector. India had 38 JCI accredited hospitals in 2018, and witnessed close to 5,00,000 medical value travellers in 2017. Nearly 95% of the medical tourists are from countries in Africa, West Asia and South Asia. However, numbers from countries like the UK and Canada are also steadily increasing because of high costs and long waiting periods for treatment in these countries.

The Government estimates that the size of the medical tourism market would be around 9 billion USD by 2020 amounting to 20% of the global share; up from a size of 3 billion USD in 2015.

Country-wise cost of ailments

Treatment	USA US\$	Korea US\$	Singapore US\$	Thailand US\$	India US\$
Hip Replacement	50,000	14,120	12,000	7,879	7000
Knee Replacement	50,000	19,800	13,000	12,297	6,200
Heart Bypass	1,44,000	28,900	18,500	15,121	5,200
Angioplasty	57,000	15,200	13,000	3,788	3,300
Heart Valve Replacement	170,000	43,500	12,500	21,212	5,500
Dental Implant	2,800	4,200	1,500	3,636	1,000

Source: CRISIL Research

The Government of India has undertaken several initiatives to support medical tourism which in turn is enhancing India's image as a preferred destination for medical tourists. For e.g. the e-Visa facility now covers practically all the countries of the world (166 countries). E-Medical visa facility for the attendant has also been introduced. Further process simplifications will strengthen India's position as an attractive destination for medical travellers.

As a unique value proposition, India offers holistic healthcare options including Yoga, Meditation, Ayurveda, and other traditional methods of treatment. These treatments have been popular with medical tourists from European Nations and the Middle East. With a view of promoting holistic treatments like Ayurveda, Yoga, and AYUSH at an international level, the Government of India has allocated ₹ 923.10 million (US\$ 12.79 million) in the 2019-20 budget towards various initiatives. It has also allowed 100% FDI in the AYUSH sector for the pursuit of wellness and medical tourism. An integrated approach to Medical Value Travel will boost India's share in this sector.

Rising Investments in the Indian Healthcare space

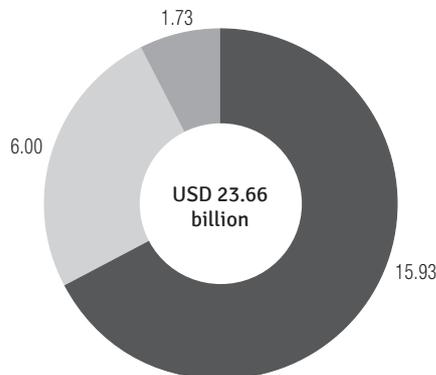
Today, it is not only important for India to increase its healthcare expenditure but also undertake serious initiatives

to build up its health infrastructure and health human resource. Foreign investments in the healthcare space go a long way in strengthening healthcare infrastructure.

Over the past few years, Indian healthcare funding has witnessed a dynamic growth by venture capitalists and private equity funds. Foreign investors have been playing a significant role in the development of the healthcare sectors. These multinational players have been trying to deepen their presence through partnerships and investments. These trends indicate rising investor confidence in the Indian healthcare space and deepen the perception of India as an attractive healthcare investment destination.

FDI in the health care sector has gathered momentum in recent years. During April 2000-December 2018, FDI inflows into the drugs and pharmaceuticals sector stood at a figure of USD 15.93 billion. Demand growth, cost advantages and policy support have played a very important role in attracting FDI in the healthcare sector.

Cumulative FDI inflows from April 2000 up to December 2018 into the healthcare sector (US \$ billion)



Source: Department of Industrial Policy and Promotion

RETAIL HEALTHCARE

The philosophy of 'Retail Healthcare' is to meet the consumers' healthcare needs right where they are. Convenience has been playing a key role in the decision making process while selecting a healthcare provider. Increasingly, consumers are choosing proximity over distance, opting for reduced waiting time, same-day scheduling and extended opening hours (including weekends). Therefore, locating services in a retail setting within a neighbourhood has become very popular.

These changing consumer preferences and the increased use of technology have successfully spearheaded the transition to retail healthcare. Retail Healthcare begins with a focus on preventive health and extends to the treatment of low complexity cases. The key aim of Retail Healthcare is to provide several quality services at lower

costs in convenient settings. The growing mindset of people to maintain good health and stay medically fit, demands a seamless healthcare delivery format to treat minor illnesses within a relaxed environment when compared to a hospital.

Consumers have made it clear that they are looking for convenience and flexibility, and healthcare providers can offer these by designing locally relevant spaces that are tailored to specific needs. The spaces should primarily focus on vaccination, patient education, information sharing, specimen collection and reports, wound dressing and aftercare, injections and tele-consultations. The Retail Healthcare business includes Primary Care Clinics, specialized birthing centers, single specialty clinics, primary health centers and diagnostic chains, apart from Dental, Daycare and Home Healthcare formats.

Globally, Retail healthcare has grown substantially over the last decade. All the verticals under the Retail Healthcare umbrella are emerging as a significant opportunity in the healthcare landscape and providing sizable untapped avenues which will further drive penetration of Indian healthcare service providers into local communities and neighbourhoods. The retail healthcare delivery system supports the service provider for providing cost-effective and quality services to consumers.

Single specialty healthcare centers operating under the Retail Healthcare delivery format have already experienced growing popularity over the past few years in India. The segment now includes multiple treatment categories in areas such as fertility, maternity, ophthalmology, dental health, dialysis and diabetic care.

WHERE THE SECTOR STANDS— SWOT ANALYSIS



STRENGTHS

Strong brand position; Widely acknowledged as leader

For nearly 25 years, Indraprastha Apollo Hospitals has built and sustained a strong leadership brand position. The hospital is widely considered as amongst the top health institutions for its superior outcomes and processes. This position is largely due to the pioneering spirit which is exemplified in its effort to be at the cutting edge of clinical protocols and technology. The reputation and trust built by the group is a strong asset, and continues to help the group attract large numbers of patients, as well as the most talented clinicians and staff.

Extensive Reach

Indraprastha Apollo Hospitals is an integrated health services provider with over 50 specialities delivering quality care. The repute of the hospital ensures patients from across India and overseas come to it for high end tertiary health services. The company has also established newer delivery models such as home care, to complete the continuum of care value proposition.

Resilient business model

Indraprastha Apollo Hospitals has consistently delivered encouraging operating and financial results, and returns to shareholders. The operating excellence of the hospital also gives it strength to transition over periods of regulatory headwinds, without compromising on shareholder value.

Deep Technological Expertise

Indraprastha Apollo Hospitals has been the frontrunner in adopting new technology for its medical procedures. The hospital invests in cutting edge technology to enhance treatment procedures, reduce recovery time and enhance healthcare outcomes.

Top Clinical Talent and Professional Management Team

Over 400 experienced clinicians, trained nursing and allied health staff and a strong managerial bandwidth, Indraprastha Apollo Hospitals' commitment to excellence and exemplify by its #PatientFirst approach. The hospital continues to be a preferred employer, and is able to attract and retain top talent, both clinical and professional, from India and abroad. The hospitals' Senior Management team comprises proficient professionals with rich industry experience and a proven track record.

Capacitised for Growth

Over the last 5 years, the hospital has invested in growing its assets and infrastructure. Also, with an ongoing focus on reducing the length of hospital stays, the Hospital will be able to utilise existing assets at much faster turns.

WEAKNESSES

Capital Intensive

The sector is very capital intensive. Land, building, medical equipment etc., require heavy investments along with high operating costs. This creates a significant barrier to entry and expansion, and is one of the key reasons why bed density continues to lag requirements. It is critical that the sector is recognised as a National Priority Sector, and sufficiently incentivised to expand for improving access.

Heavy regulatory burden

Healthcare as a sector, is heavily regulated. While traditionally, regulations have focused on licensing and approvals, recently, the Government has also begun regulating prices of drugs and consumables. While the intent to make healthcare more affordable is laudable, it is important to ensure that healthcare providers are able to remain financially sustainable in the long-term.

Shortage of experienced doctors and skilled professionals

The healthcare industry requires skilled professionals. The quality of doctors and support healthcare professionals is crucial for ensuring high standards of healthcare delivery. Skilled professionals in the healthcare industry enjoy attractive opportunities in India and are in demand in overseas markets as well. In spite of having some of the best educational institutions in the country, gaps in medical education in India are significant. This has resulted in sub-optimal numbers of qualified healthcare professionals and a lacuna in skilled manpower including doctors, nurses and para-medical staff. Intense competitiveness amongst healthcare providers in urban areas has led to unsustainable increases in remuneration for qualified personnel. The shortage of skilled professionals is a potential show stopper for ensuring growth of the sector.

Heterogeneous Markets

With our increasing population, the need for quality healthcare services in India is high. However, these requirements are defined by the unique characteristics of local markets—demographics, disease profiles, customer attitudes, seasonal variations, price sensitivity and so on. Even hospitals in two different cities in the same state or hospitals in the same city and in its suburbs will operate under different sets of parameters. Due to the complexities involved, significant management oversight is required in sustaining clinical standards, balancing case mix, ensuring adequate volumes and upgrading technology regularly.

OPPORTUNITIES

Changing Demographics

India's twin demographic pattern of significant growth in the number of young and old people, presents an

opportunity to serve the healthcare expectations of the young, while attending to the increasing healthcare requirements of the elderly. Alongside, the country is witnessing sharp increases in disposable income for several groups, including a burgeoning middle class, who can afford to pay for quality healthcare. This presents an exciting opportunity for growth to service providers.

Twin Disease Burden

The rise of Non-Communicable Diseases, and their contribution to the country's disease burden presents an important opportunity to healthcare providers. Lifestyle diseases such as Cardiac ailments, diabetes, hypertension, cancer and orthopaedic ailments will drive the need for curative care. The burden of communicable diseases will also continue to be an area of focus, as provision of water, sanitation and nutrition for all citizens is yet to be satisfactorily accomplished.

Medical Value Travel

India has been a prominent destination for medical value travel. The country is well-known for delivering clinical outcomes of world-class standards, at less than one-tenth of the international cost. Indian doctors are recognised for their competence and expertise, and the quality service they provide. The country's unique value proposition of integrated healing, using alternative forms such as Yoga and Ayurveda, presents ample scope for India to become the leading global destination for healing.

High Number of Under-Served and Poorly-Served Markets

There is a visible disparity in the availability and quality of healthcare between metro cities and urban areas compared to rural and secluded areas in the country. Access to health services is critical for good health, but our rural population faces various barriers to access. Even citizens with the means to pay for quality healthcare are compelled to travel to urban areas to access them. There is an opportunity for healthcare providers to explore newer (e.g. telemedicine) or leaner business models which will enhance access and affordability in more of the poorly-served markets.

Changing Consumer Preferences

The general notion is that hospitals tend to be intimidating to patients, especially those with relatively simple ailments who do not need the acute care facilities of a large hospital. They seem to respond better in a relaxed atmosphere. Healthcare providers have responded to this need, by providing a variety of options such as short stay centres, single specialty centers, neighbourhood clinics, and home services. These healthcare delivery formats are economically attractive as they require lower capital investment, achieve faster breakeven and deliver a better return profile.

Preventive Health and Wellness

Health awareness is on an increased trajectory across

the country. More and more people are personally aware of the state of their health, and are willing to invest time, money and efforts for improving it and in preventing critical illness. This awareness has led to a promising opportunity in the areas of preventive health and wellness, encompassing preventive health checks, diet and nutrition, exercise and well-being.

Enhanced access and lower cost of delivery through Digital Solutions

The growth of technology in recent decades has opened up possibilities for lowering cost of delivery, and increasing healthcare penetration, by leveraging digital solutions and telemedicine. These solutions will be most effective in expanding access to rural and far-flung areas, and in delivering the first level of care without necessitating long trips to urban centres. Public-private partnerships are also expanding in this area.

T H R E A T S

Rising Costs

Input costs in healthcare are rising. Minimum wage revisions are underway in several categories of manpower; real estate continues to inflate; and import costs of equipment and consumables are high. Increased competition has also meant that compensation expectations for skilled manpower is very high. In light of the Government's thrust to reduce prices through regulation, there is a real threat of hospital finances being rendered unviable.

Heightened Competitive Intensity

Competitive intensity and presence has increased, especially in key markets in the country. There are even pockets of over-capacity. Every market player, whether from the organized or the unorganized sector, is striving for market leadership. This could lead to cut-throat competition and unfair practices for survival.

Shortage of Skilled Manpower

There is an acute shortage of skilled healthcare resources across the board. At 8 physicians and 12 nursing personnel per 10,000 population, India alarmingly trails the global median of 14 physicians and 29 nursing personnel. We also lag behind other developing nations like Brazil on these parameters. Unless immediate steps are taken to increase the number of doctors, nurses and paramedics, the shortage of manpower will lead to prohibitive costs and derail the delivery of healthcare services.

Price Regulation

The intrinsic value of a service is more than just the cost of inputs. Any attempt to regulate the prices of healthcare inputs without addressing and providing for the comprehensive costs of providing quality services, will cripple the sector's finances, and compromise quality of care.

WHAT'S AHEAD. BUILDING THE HEALTHCARE SYSTEM OF THE FUTURE

Quality, outcomes, and value, are the watchwords for health care in the 21st century. Sector stakeholders around the globe are looking for innovative, cost-effective ways to deliver patient-centered, technology-enabled “smart” care, both inside and outside hospital walls. Independently and collectively, health care stakeholders are likely to face a number of existing and emerging challenges in this journey.

Creating a positive margin in an uncertain and changing health economy:

For sustained success, healthcare providers will need to increase system efficiencies beyond what is needed to be profitable. Long-term sustainability will require a fundamental transformation of the way healthcare services are organized and delivered. Consolidating where appropriate and looking for synergies across the system can improve efficiency. A strategy to diversify beyond the core hospital set up will also be key, by investing in outpatient services, step-down care, urgent care, etc. Another important aspect will be to improve revenue cycle management, and leverage scale by reducing the number of supply chain vendors.

Strategically moving from volume to value

Healthcare is continuing its transition from fee-for-service (FFS) reimbursement to outcomes, and value-

|| HEALTHCARE IN 2030 WILL BE A
WORLD APART FROM WHAT WE HAVE NOW. ||

based payment models. While traditional payment systems have focused on volume based payments to physicians, future models envisage maximising the value of healthcare delivered by standardized protocols, transparent information sharing, investment in clinical integration and alignment of incentives.

Engaging with Empowered Consumers

The very definition of the word “patient” has a notion of dependency on the doctors or the health care providers for the person undergoing treatment. The doctor–patient relationship is critical for patients as they rely on the physician’s competence, skills and goodwill. Hence, for long, there has been a supply-side dominance in health care, which has defined the way health care systems have evolved and care provided. The nature of this relationship is slowly but surely undergoing a transformation—India is witnessing the emergence of the empowered consumer, who is well-informed and aware of the choices and options available to them. Surveys and research show that Indians want to act as an equal partner in shared clinical decision making; they want to become more health literate, and are increasingly keen on managing their own health. In order to meet the expectations of this new class of consumers, healthcare providers will need to embrace a new paradigm of Consumer Centricity,

which focuses on empathy, transparency, clarity in communication and ease of access and convenience.

Focus on health, not sickness

75% of all health costs derive from preventable conditions. It is now the growing belief that the core purpose of any healthcare system is not only to provide treatment to the sick but also to promote health and well-being. Globally, the needle is moving from treatment to prevention as health care costs continue to escalate, and governments, health systems, health plans, and other stakeholders understand that it makes clinical and financial sense to invest in keeping individuals and populations healthy. Value-based payment models that reward health systems for improved quality and outcomes have the potential to enhance margins and reduce total cost of care. Therefore, there is a need to focus on promoting the adoption of healthy behaviour among individuals, through a combination of levers including m-Health, wearables, use of social networks and peer groups, programmes to drive diet, exercise and adherence to therapy, as well as economic incentives to reward desired behaviour.

Investing in exponential technologies to reduce costs, increase access, and improve care

Exponential technologies are helping to drive transformational change in healthcare by making care delivery less expensive, more efficient, and more accessible. For example, beginning in 1999, scientists spent five months and approximately USD \$300 million to generate the first initial “draft” of a human genome sequence. The cost to do that now is less than USD \$1,000, and could eventually drop to less than USD \$1. In coming years, exponential technologies have the potential to dramatically disrupt systems and processes that have historically defined the industry. Synthetic biology, 3D printing and nano-technology, Genomics and proteomics, blockchain, gig economy, additive manufacturing, artificial intelligence, data democratization, ambient computing, and bio sensors, are all areas with tremendous potential.

Shaping the workforce of the future

Health care workforce challenges are being felt across more and more countries. Staffing shortages are evident in a number of hospital specialties (emergency medicine and geriatrics) and in general practice; there are also growing nursing shortages across both health and social care. Compounding the problem is a scarcity of leaders who can guide and support the transformation of organizations to become patient-centric, insight-driven, and value-focused. The future of work is likely to be powered by technology advancements and an augmented workforce that combines people and machines to get things done in a way that’s not only more productive, but also more rewarding. When planning for the future of work, health care organizations will need to assess the trajectory of specific jobs and workflows, evaluate the mix of factors that combine to operate those jobs and processes, and determine how they can be re-envisioned through enabling technologies and new talent models.

COMPANY OVERVIEW

Excellence in Operations

Indraprastha Apollo Hospital offers international standard medical care in New Delhi, delivering multi specialties under one roof. The hospital offers world class treatment at an affordable cost, focusing on specific areas where it can optimize efforts and values. Transplants, cardiology, oncology, neurology and orthopedic with higher revenue prospects are some of the key specialties.

Apart from these specialties, the hospital has been able to deliver outstanding clinical outcomes in some critical cases and emergencies.

Infection Control and Environment

The Infection Prevention and Control Program, has been an integral part of the organization since its inception. Catering to and synchronizing with the global and national needs, 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. Like previous years this year also witnessed various campaigns focused on infection-prevention measures and towards Antimicrobial stewardship (AMS). 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. A new program addressing the community awareness on AMS, is also being incorporated.

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.

Through implementation of 'bundles (of measures)' and various campaigns as above, our healthcare indices currently stand 0.71, 1.01 and 1.00 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 including Biomedical Waste and Infection Control Committee, the Antimicrobials Resistance (AMR) Containment Program of MOHFW, Government of India, The Patient Safety Program of Government of India and AMR Containment program of Government of NCT of Delhi and various other programs of WHO-WR for India in healthcare associated infection prevention and control, as well as antimicrobial resistance containment.

Awards and Accolades

The Hospital received a number of accolades during the year under review. The Hospital Management Asia (HMA) recognizes and honours hospitals in Asia that carry out best practices in hospital management. This year, your hospital won the Gold Award for "Compassion Courage Hope - Rebuilding Livelihood" in the Community Involvement Category and "Uberization of Patient Transportation" in the Mobile and Online Services. The hospital also won Excellence Award in P2P (From Panic to Peace) Clinical Alarm safety Campaign in the Facility Management & Financial Improvement category and Apollo Ring of Care under Hospital CEO of the year category.

The hospital has also won AHPI Healthcare Excellence Award 2019 in Nursing Excellence and Quality beyond Accreditation. The Hospital has also won Best Hospital in Facility Management & Hospitality in 9th MT India Healthcare Awards 2019.

RISKS AND CONCERNS

Given increase in operations, our organization is exposed to a wider range of risks and uncertainties. These internal and external factors may affect achievements of the organizations objectives - whether they are strategic, operational or financial.

Indraprastha Apollo Hospitals operates in a business environment that is characterized by increasing competition and market unpredictability. It is exposed to a number of risks in the ordinary course of business. This is inevitable, as there can be no entrepreneurial activity without the acceptance of risks and associated profit opportunities

At Indraprastha Apollo Hospitals, we identify business sustainability risks and opportunities on an ongoing basis and integrate these into our existing risk management framework. We have adopted certain processes which continuously enhance risk awareness and promote a culture of risk management.

The Board of Directors has constituted a Risk Management Committee comprising of Senior Management Personnel headed by the Managing Director to ensure that internal financial controls are in place. The Risk Management Committee 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 on quarterly basis to the Board of Directors.

The risks that may adversely impact 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 wages, materials, transport & storage
- Labour shortages and attrition of key staff including medical professionals

- Increased statutory compliances and regulatory pressures including changes in tax laws
- Complaints before the Consumer Courts filed by patients or their relatives against the hospital and the Consultant Doctors for medical negligence.
- 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.
- 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

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, facilitates accurate and timely compilation of financial statements and management reports, apart from ensuring compliance with statutory laws, regulations and company policies.

While no system can provide absolute assurance against material loss or financial misstatement, 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.

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

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 Financial Performance and Results of Operations

The total revenue grew from Rs. 7,534.51 million in FY2018 to Rs. 7,886.39 million in FY2019.

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

Year Ended March 31, 2019

Particulars	31.03.2019	31.03.2018	Increase (Decrease)	% Increase (Decrease)
Discharges	58,229	57,799	430	1%
Revenues per patient (₹)	1,35,225	1,29,476	5,749	4%
Average length of stay (days)	3.38	3.31		
Out-patients	5,11,026	4,69,862	41,164	8%
Revenue per bed day (₹)	39,984	39,117	867	2%

Expenses

Salaries and Benefits

Our salaries and benefits expense of Rs. 1940.14 million during FY2018 increased by 3% to Rs. 2002.05 million in FY2019.

Year Ended March 31, 2019

(Rs. in Million)

Particulars	31.03.2019	% of Revenue	31.03.2018	% of Revenue	Increase (Decrease)	% Increase (Decrease)
Salaries, wages and benefits (excluding managerial remuneration)	1962.04	25%	1902.74	26%	59.30	3%
No. of employees	3022		3019			

Professional Fees paid to doctors

During the year, professional fees paid to doctors has been increased from Rs. 1937.65 million during FY2018 to Rs. 1975.55 million during FY2019.

Administrative Expenses

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

Year Ended March 31, 2019

(Rs. in Million)

Particulars	31.03.2019	% of Revenue	31.03.2018	% of Revenue	Increase (Decrease)	% Increase (Decrease)
Repairs and maintenance	180.50	2%	194.65	3%	(14.15)	(7%)
Rents and leases	49.00	1%	49.80	1%	(0.80)	(2%)
Outsourcing expenses	467.07	6%	389.81	5%	77.26	20%
Marketing and advertising	433.97	6%	387.63	5%	46.34	12%
Legal and professional fees	37.90	0%	33.88	0%	4.02	12%
Rates & taxes	36.47	0%	38.86	1%	(2.39)	(6%)
Provision for doubtful debts & Bad debts written off	23.64	0%	25.50	0%	(1.86)	(7%)
Other administrative expenses	418.16	5%	402.33	5%	15.83	4%
Total	1646.71	21%	1522.46	20%	124.25	8%

Provision for Income Taxes

The provision for taxes during the year ended March 31, 2019 is Rs. 162.08 million compared to Rs. 129.02 million in the previous year ended March 31, 2018.

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, 2019 was 3022 as against 3019 employees in previous year. The Company has also engaged contractors for various support services in the Hospital and they have deployed 1024 workers as against 1013 workers in 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

Suneeta Reddy
(DIN : 00001873)
Director

Place: New Delhi
Date : 26th July, 2019

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 behavior helps to enhance and maintain public trust in companies and the stock markets.

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 an 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) As on 31st March 2019, the Board of Directors consisted of 11 (eleven) members comprising of 1 (one) Executive Director and 10 (ten) Non-Executive Directors including 6 (six) Independent Directors and 3 (three) women Directors. The composition of the Board of Directors of the Company is in conformity with Section 149(1) of the Companies Act, 2013 (the Act) read with Regulation 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

As per the provisions of the Articles of Association of the Company, one of the Directors nominated by the President of India shall be recommended by him in consultation with Apollo Hospitals Enterprise Limited as Chairman of the Board of the Directors. The Company has received no recommendation from the President of India for the appointment of the Chairman of the Board of directors. In the absence of the appointment of Chairman of the Board, the Vice-Chairman of the Board is acting as a Chairman

of the Board. The acting Chairman of the Board is Non-Executive.

The 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) The number of Directorship(s), Committee Membership(s) / Chairmanship(s) of all Directors is within respective limits prescribed under the Act and Listing Regulations.

None of the Independent Directors of the Company serve as an Independent Director in more than seven listed companies as prescribed under Regulation 17 of the Listing Regulations.

Necessary disclosures have been made by the Directors.

- (c) Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management.

During the year under review, no Independent Director has resigned from the Board of Directors of the Company.

- (d) Four (4) Board meetings were held during the financial year ended 31st March, 2019. The dates of the meetings are as follows: 9th May, 2018, 28th July, 2018, 10th November, 2018, and 30th January, 2019. The time gap between two consecutive Board meetings was not more than one hundred and twenty days.

The Act read with the relevant rules made thereunder, facilitates the participation of a Director in Board / Committee Meetings through video conferencing or other audio visual modes. Accordingly, the option to participate in the Meeting through video conferencing was made available for the Directors except in respect of such Meetings / Items which are not permitted to be transacted through video conferencing.

The necessary quorum was present for all the meetings.

(e) The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year under review and at the last Annual General Meeting (“AGM”), name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited companies including listed companies, as on March 31, 2019, are given herein below. Other directorships do not include directorships of private limited

companies, foreign companies and companies registered under Section 8 of the Act. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he/she is a Director. For the purpose of determination of limit of the Board Committees, Chairpersonship and Membership of the Audit Committee and Stakeholders’ Relationship Committee has been considered as per Regulation 26(1)(b) of Listing Regulations.

NAME OF THE DIRECTOR AND CATEGORY

Name of the Director and Category	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)		Directorship in other listed entity (category of Directorship)
			Chairperson	Member	Chairperson	Member	
Dr. Prathap C Reddy (Vice-Chairman) / Non-Executive DIN : 00003654	2	Yes	5	Nil	Nil	Nil	Apollo Hospitals Enterprise Ltd.– Executive Director
Mr. Ashok Bajpai (Managing Director) / Executive (1) DIN : 02463754	4	Yes	Nil	Nil	Nil	Nil	Nil
Mr. S. N. Sahai Non-Executive (2) DIN : 00860449	1	NA	NA	NA	NA	NA	NA
Ms. Suneeta Reddy Non- Executive DIN : 00001873	4	Yes	Nil	5	Nil	1	Apollo Hospitals Enterprise Ltd.– Executive Director Apollo Sindoori Hotels Ltd.– Non-Executive Director
Ms. Shobana Kamineni Non-Executive DIN : 00003836	3	No	Nil	9	Nil	Nil	Apollo Hospitals Enterprise Ltd.– Executive Director Blue Star Ltd.– Non-Executive Director Hero Motocorp Ltd.– Non-Executive Director
Ms. Vineeta Rai Non-Excutive DIN : 07013113	4	Yes	Nil	Nil	Nil	Nil	Nil
Ms. Renu S. Karnad Non- Executive (3) DIN : 00008064	2	Yes	NA	NA	NA	NA	NA
Mr. T. S. Narayanasami Independent / Non-Executive DIN : 01786981	2	No	Nil	2	Nil	Nil	Nil
Mr. S. Regunathan Independent / Non-Executive DIN : 00286505	4	Yes	Nil	1	Nil	Nil	Nil
Mr. Satnam Arora Independent / Non-Executive DIN : 00010667	4	No	Nil	2	Nil	2	Kohinoor Foods Ltd.– Executive Director

NAME OF THE DIRECTOR AND CATEGORY (*Continued*)

Name of the Director and Category	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)		Directorship in other listed entity (category of Directorship)
			Chairperson	Member	Chairperson	Member	
Mr. Deepak Vaidya Independent / Non-Executive DIN : 00337276	3	No	2	3	1	2	Solara Active Pharma Sciences Ltd.– Non-Executive Director Strides Pharma Science Ltd.– Non-Executive Director Bombay Oxygen Investments Ltd.– Non-Executive Director
Dr. Arun Rai Independent / Non-Executive DIN : 07159822	3	No	Nil	1	Nil	Nil	Nil
Mr. Vinayak Chatterjee Independent / Non-Executive DIN : 00008933	4	Yes	Nil	5	1	Nil	SRF Ltd.–Independent Director KEC International Ltd.–Independent Director Apollo Hospitals Enterprise Ltd.– Independent Director ACC Ltd.–Independent Director

Notes:

- (1) Appointed by the Board as an Additional Director & Managing Director w.e.f. 1st January, 2018, and thereafter appointed by the shareholders as a Director & Managing Director at the last Annual General Meeting held on 24th September, 2018.
- (2) Resigned as Director of the Company w.e.f. 29th June, 2018.
- (3) Resigned as Director of the Company w.e.f. 8th March, 2019.
- (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.
- (f) During the year 2018-19, information as mentioned in Part A of Schedule II of the Listing Regulations, has been placed before the Board for its consideration.
- (g) During the year 2018-19, a meeting of the Independent Directors was held on 30th January, 2019, without the participation of the Non-Independent Directors and members of the management. The Independent Directors carried out performance evaluation of Non-Independent Directors and the Board of Directors, as a whole, performance of Chairman of the Company, the quality, contents and timelines of flow of information between the Management and the Board.
- (h) The Board periodically reviews the compliance reports of all laws applicable to the Company.
- (i) The number of shares held by Non-Executive Directors, in the share capital of the Company as on 31st March, 2019, 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, 2019, in the share capital of the Company, except above named Directors.

The Company has not issued any convertible instruments.

(j) Relationships between Directors inter-se as given below:

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
Ms. Shobana Kamineni	Daughter of Dr. Prathap C Reddy and sister of Ms. Suneeta Reddy.

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

- (k) 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. Directors are periodically advised about the changes effected in Corporate Laws, listing Regulations with regard to their roles, rights and responsibilities as Director of the Company.

The familiarisation programme along with details of the same imparted to the Independent Directors are available on the website of the Company <http://www.apollohospdelhi.com/downloads/Familiarization%20Programme.pdf>

- (l) The Board of Directors of the Company comprises highly qualified members who possess required skills, expertise and competence that allow them to make effective contributions to the Board and its Committees.

The following skills / expertise/ competencies have been identified for the effective functioning of the Company and are currently available with the Board of Directors:-

1. Leadership
2. Operational experience
3. Strategic Planning
4. Industry Experience
5. Financial Management
6. Regulatory / Legal and Risk Management
7. Corporate Governance
8. Diversity

- (m) The Board of Directors has adopted a Code of Conduct for the Board Members and Senior Management Personnel of the Company. This Code helps the Company to maintain the Standard of Business Ethics and ensure compliance with the legal requirements, specifically under Regulation 17(3) of the Listing Regulations. The Code is aimed at preventing any wrongdoing and promoting ethical conduct of the Board and employees.

A copy of the code of conduct has been posted on the Company's official website delhi.apollohospitals.com. The Code lays down the standard of conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. All the Board Members and the Senior Management personnel have confirmed compliance with the Code, for the financial year ended 31st March, 2019.

The declaration regarding compliance with the code of conduct is appended to this report.

- (n) The Board of Directors has adopted an Code of Conduct for Prevention of Insider Trading by Designated Persons' ("the Code") in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (The PIT Regulations).

The Company has also formulated Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSII)' in compliance with the PIT Regulations. This Code is displayed on the official website delhi.apollohospitals.com

3. AUDIT COMMITTEE

- (a) The terms of reference of the Audit Committee covers the areas as contemplated in Section 177 of the Act 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. Recommend appointment, remuneration and terms of appointment of auditors, including cost auditors, of the Company.
3. Approval of payment to statutory auditors, including cost auditors, for any other services rendered by them.
4. Review with the management, the annual financial statements and auditor's report thereon before submission to the Board for its approval, with particular reference to:
 - (a) matters required to be included in the Directors' responsibility statement to be included 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 judgement 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) modified opinion(s) in the draft audit report.
5. Review with the management, the quarterly financial statements before submission to the Board for approval.
6. Review 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 utilised for the 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 and performance and effectiveness of audit process.
8. Approval or any subsequent modification of transactions with related parties of the Company.
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. a) Review with the management, performance of statutory and internal auditors.
b) Review with the management adequacy of the internal control systems.
13. Review the adequacy of internal audit function, if any, including the structure of internal audit department, staffing and seniority of the official

heading the department, reporting structure, coverage and frequency of internal audit.

14. Discuss with internal auditors of any significant findings and follow up there-on.
15. Review 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. Discuss 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. Look into the reasons for substantial defaults, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividend) and creditors.
18. Review the functioning of the Whistle Blower mechanism / oversee the vigil mechanism.
19. Approval of appointment of Chief Financial Officer after assessing qualifications, experience and background etc. of the candidate.
20. Mandatorily review the following:
 - (a) Management Discussion and Analysis of financial condition and results of operations
 - (b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management
 - (c) Management letters / letters of internal control weaknesses issued by the statutory auditors
 - (d) Internal audit reports relating to internal control weaknesses
 - (e) Appointment, removal and terms of remuneration of the chief internal auditor
 - (f) Statement of deviations:
 - (i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations.
 - (ii) annual statement of funds utilised for purpose other than those stated in the offer document / prospectus in terms of Regulation 32(7) of the Listing Regulations.
21. Note report of compliance officer as per SEBI (Prohibition of Insider Trading) Regulations, 2015.
22. Carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable.

(b) As on 31st March, 2019, the Audit Committee consisted of five Non-Executive Directors (including four Independent Directors) viz. Mr. T. S. Narayanasami, Ms. Suneeta Reddy, Mr. Satnam Arora, Mr. Deepak Vaidya and Mr. S. Regunathan. Mr. T. S. Narayanasami (Independent Director) is the Chairman of the Audit Committee.

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

(c) The Audit Committee met four (4) times during the year on 9th May, 2018, 27th July, 2018, 9th November, 2018, and 30th January, 2019, 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	4	2
Ms. Suneeta Reddy	Non-Executive	4	4
Mr. S. N. Sahai (1)	Non-Executive	1	1
Mr. Satnam Arora	Independent–Non-Executive	4	4
Mr. Deepak Vaidya	Independent–Non-Executive	4	4
Mr. S. Regunathan (2)	Independent–Non-Executive	NA	NA

(1) Resigned as Director of the Company w.e.f. 29th June, 2018.

(2) Appointed as a Member of the Audit Committee on 30th January, 2019.

The Managing Director, Vice President cum Company Secretary, Chief Financial Officer 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 not present at the last AGM of the Company. He had authorized Ms. Suneeta Reddy – Member Audit Committee to address the query of the shareholders relating to the Audit Committee at the AGM, if any, on his behalf.

Ms. Suneeta Reddy was present at the AGM to address the queries of the shareholders.

4. NOMINATION AND REMUNERATION COMMITTEE

- (a) The terms of reference to the Nomination and Remuneration Committee covers the areas as contemplated in Section 178 of the Act and Regulation 19 of the Listing Regulations, which inter alia shall include:-
 1. formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
 2. formulate the criteria for evaluation of performance of independent directors and the board of directors;
 3. devise a policy on diversity of Board of Directors;
 4. identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.

5. consider extension or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of Independent Directors.
 6. recommend to the Board, all remuneration, in whatever form, payable to senior management.
- (b) As on 31st March, 2019, the Nomination and Remuneration Committee consisted of four Non-Executive Directors (including three Independent Directors) viz. Mr. S. Regunathan, Ms. Suneeta Reddy, Mr. T. S. Narayanasami and Mr. Vinayak Chatterjee. Mr. S. Regunathan (Independent Director) is the Chairman of the Nomination and Remuneration Committee.
- (c) The Nomination and Remuneration Committee met once during the year i.e. on 30th January, 2019. The names of Members, Chairman and their attendance at the Nomination and Remuneration Committee Meeting are as under:

Members	Category	Meetings Held	Meetings Attended
Mr. S. Regunathan (Chairman)	Independent–Non-Executive	1	1
Ms. Suneeta Reddy	Non-Executive	1	1
Mr. T. S. Narayanasami	Independent–Non-Executive	1	1
Mr. Vinayak Chatterjee (1)	Independent–Non-Executive	NA	NA

(1) Appointed as a Member of the Nomination and Remuneration Committee on 30th January, 2019

Mr. S. Regunathan - Chairman of the Nomination and Remuneration Committee was present at the last AGM of the Company to address the queries of the shareholders.

- (d) The performance evaluation criteria for criteria for Independent Directors 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) 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 Policy of the Company on directors' appointment and remuneration, including the criteria for

determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, is available on the website of the Company, at <https://delhi.apollohospitals.com/downloads/Remuneration-Policy.pdf>

The details of Remuneration paid to Directors for the year ended 31st March, 2019, are as under:-

- i) The Non-Executive Directors are paid by way of sitting fee for attending each meeting of the Board of Directors or Committees thereof. In addition to the sitting fees being paid by the Company for attending each meeting of the Board of Directors or Committees thereof, the Board has approved the payment of commission of Rs. 2,50,000/- to each of the Non-Executive Director including Independent Directors in respect of the financial year 2018-19. 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 for the year ended 31st March, 2019, are as under:-

Amount (Rs.)

Name of the Director	Remuneration paid / payable for the year ended 31 st March, 2019		
	Remuneration		
	Sitting Fee Paid	Commission Payable	Total
Dr. Prathap C Reddy	40,000	2,50,000	2,90,000
Mr. S. N. Sahai	40,000	61,644	1,01,644
Ms. Suneeta Reddy	1,80,000	2,50,000	4,30,000
Ms. Shobana Kamineni	60,000	2,50,000	3,10,000
Ms. Vineeta Rai	1,60,000	2,50,000	4,10,000
Ms. Renu S Karnad	40,000	2,34,247	2,74,247
Mr. T S Narayanasami	1,20,000	2,50,000	3,70,000
Mr. S. Regunathan	1,60,000	2,50,000	4,10,000
Mr. Satnam Arora	2,20,000	2,50,000	4,70,000
Mr. Deepak Vaidya	1,60,000	2,50,000	4,10,000
Dr. Arun Rai	80,000	2,50,000	3,30,000
Mr. Vinayak Chatterjee	1,20,000	2,50,000	3,70,000

** 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, 2019. The Company does not have any stock option scheme.

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

Name of the Director	Remuneration paid for the year ended 31 st March, 2019		
	Remuneration		
	Salary	Perquisite	Total
Mr. Ashok Bajpai **	1,67,31,342	7,26,475	1,74,57,817

** Resigned from the position of Managing Director from the close of business hours on 15th June, 2019.

The services of the Managing Director can be terminated by either party by a 90 (ninety) day notice of termination to the other Party or salary in lieu thereof unless the parties mutually agree otherwise.

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, 2019, the Stakeholders Relationship Committee consisted of three Directors (including two Independent Directors) viz. Ms. Vineeta Rai, Mr. Ashok Bajpai 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 5th January, 2019 and 26th March, 2019.

Other details:-

- 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 ten 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, 2019:** None

7. GENERAL BODY MEETINGS

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

Financial Year	Location	Date	Time
2017-18	Sirifort Auditorium Siri Fort Cultural Complex, August Kranti Marg, New Delhi-110 049	24 th September, 2018	11.00 A.M.
2016-17	Sirifort Auditorium Siri Fort Cultural Complex, August Kranti Marg, New Delhi-110 049	26 th September, 2017	11.00 A.M.
2015-16	Sirifort Auditorium Siri Fort Cultural Complex, August Kranti Marg, New Delhi-110 049	30 th August, 2016	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 the 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.

c) Special resolution passed last year through postal ballot:

Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise, details of the voting pattern and procedure of postal ballot

The Company had sought the approval of the shareholders by way of Special Resolutions through notice of postal ballot dated 30th January, 2019, including remote E-voting. Mr. Baldev Singh Kashtwal, Practicing Company, was appointed as the Scrutinizer to scrutinize the postal ballot and remote e-voting process in a fair and transparent manner. The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Companies Act, 2013, read with the Rules framed thereunder.

The details of the special resolutions and voting pattern is as follows:-

POSTAL BALLOT

Particulars Description of the Resolution	Votes in favour of the resolution			Votes against the resolution		
	Number of members voted through electronic voting system and through Physical ballot form	Number of valid Votes cast (Shares)	% of total number of valid votes cast	Number of members voted through electronic voting system and through Physical ballot form	Number of valid Votes cast (Shares)	% of total number of valid votes cast
Approval for Re-appointment of Mr. S. Regunathan (DIN : 00286505) as an Independent Director for another term of 5 consecutive years effective from 1 st April, 2019 to 31 st March, 2024, and to continue as an Independent Director after attaining the age of 75 years during the aforesaid tenure of 5 consecutive years.	345	29350212	99.71	43	84118	0.29
Approval for Re-appointment of Mr. Satnam Arora (DIN : 00010667) as an Independent Director for another term of 5 consecutive years effective from 1 st April, 2019 to 31 st March, 2024 and to continue as an Independent Director after attaining the age of 75 years during the aforesaid tenure of 5 consecutive years.	344	29351502	99.72	43	82146	0.28
Approval for Re-appointment of Mr. Deepak Vaidya (DIN : 00337276) as an Independent Director for another term of 5 consecutive years effective from 1 st April, 2019 to 31 st March, 2024 and to continue as an Independent Director after attaining the age of 75 years during the aforesaid tenure of 5 consecutive years.	341	29349691	99.72	44	83656	0.28
Approval for Re-appointment of Mr. T. S. Narayanasami (DIN : 01786981) as an Independent Director for another term of 5 consecutive years effective from 1 st April, 2019 to 31 st March, 2024.	356	29374543	99.81	30	57325	0.19
Approval for Continuation of Dr. Prathap C. Reddy (DIN: 00003654) who has attained the age of 75 years, as a Non-Executive Director.	338 **	28494198	99.74	46	75408	0.26
Approval for Continuation of Ms. Vineeta Rai (DIN : 07013113) as a Non-Executive Director on her attaining the age of 75 years during her tenure of Non-Executive Director.	336	29346572	99.71	51	86781	0.29

** Votes of Dr Prathap C. Reddy, Ms. Sucharitha P Reddy, Ms. Preetha Reddy, Ms. Shobhana Kamineni, Ms. Sangita Reddy and Ms. Suneeta Reddy, being interested in the resolution have not been considered.

All the Special Resolutions were passed by the shareholders based on combined results (Remote e-voting and Postal Ballot) with the requisite majority, and the results of which were announced on 30th March, 2019.

d) **Special resolution proposed to be conducted through postal ballot:** None of the businesses proposed to be transacted at the ensuing AGM requires passing of a special resolution through postal ballot.

8. MEANS OF COMMUNICATION

a) **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 <https://delhi.apollohospitals.com>

- b) **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:** Friday, 20th September, 2019, at 11.00 a.m. at Sirifort Auditorium, Siri Fort Cultural Complex, August Kranti Marg, New Delhi-110 049.

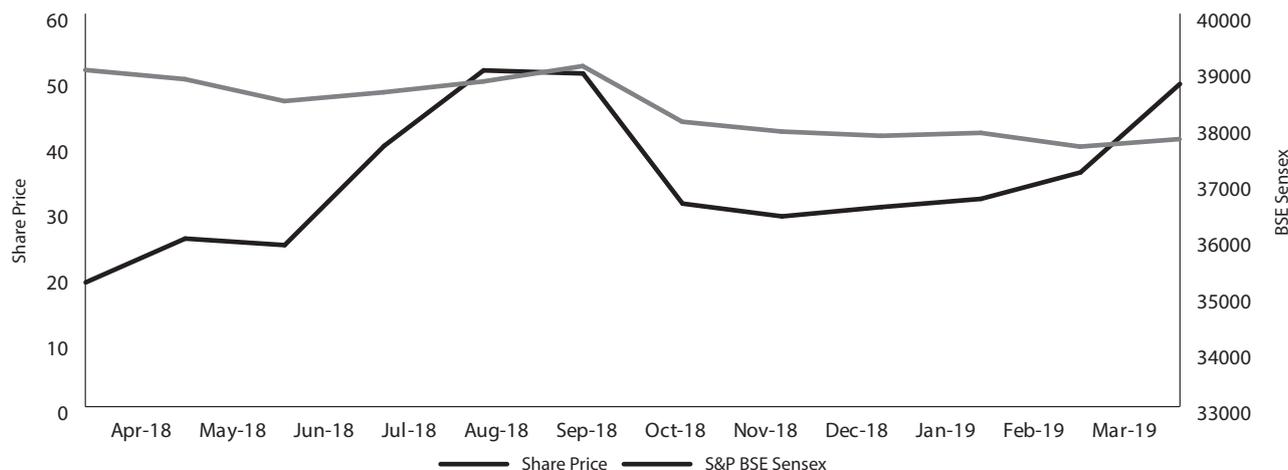
- b. **Financial Year:** 1st April, 2018 to 31st March, 2019
- c. **Date of Book Closure:** From Saturday, 14th September, 2019 to Friday, 20th September, 2019 (both days inclusive) for declaration of dividend for the year 2018-19 and Annual General Meeting.
- d. **Dividend Payment Date:** On or after 24th September, 2019
- 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 2019-20 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 2018-19 at National Stock Exchange (NSE) and BSE Ltd. (BSE) are as under:-

Month	National Stock Exchange			BSE Ltd.		
	Highest (Rs.)	Lowest (Rs.)	Volume (Nos.)	Highest (Rs.)	Lowest (Rs.)	Volume (Nos.)
April, 2018	51.30	48.55	1473578	51.40	48.60	230209
May, 2018	49.90	43.30	1021325	50.00	43.55	189330
June, 2018	46.50	40.15	722517	46.65	41.00	128268
July, 2018	45.80	40.50	691734	48.00	40.10	162362
Aug, 2018	49.80	42.50	1420654	49.65	42.50	308688
Sep, 2018	52.00	39.05	1589730	52.00	39.20	365480
Oct, 2018	42.10	37.55	1295107	43.50	37.75	184379
Nov, 2018	41.95	37.80	1097694	42.00	37.55	150210
Dec, 2018	41.50	38.10	607473	41.35	37.00	184365
Jan, 2019	41.40	37.05	628754	41.80	37.00	165676
Feb, 2019	39.60	36.15	596577	39.70	36.15	112692
Mar, 2019	40.80	36.80	691567	40.85	36.95	176381

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



- i. **Trading of shares of the Company :** During the year under review, the shares of the Company are not suspended from trading.

- j. **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.
Noble Heights, 1st Floor,
NH-2, C-1 Block, LSC,
Near Savitri Market, Janakpuri,
New Delhi – 110058
E-mail : delhi@linkintime.co.in
Phone : 011-49411000

- k. **Share Transfer System:** The Company's shares are traded in the Stock Exchanges compulsorily in demat mode. Transfer of equity shares in electronic form are effected through the depositories with no involvement of the Company. SEBI has mandated that securities of listed companies can be transferred only in dematerialised form w.e.f. 1st April, 2019. Accordingly, the Company / its RTA has stopped accepting any fresh lodgement of transfer of shares in physical form. Members holding shares in physical form are advised to avail the facility of dematerialisation.

i. Distribution of shareholding as on 31st March, 2019:

Shareholding of shares	Shareholders		Total Shares	
	Number	% to total	Number	% to total
Upto 500	38436	83.4169	4802802	5.2391
501 - 1000	3621	7.8586	3179485	3.4683
1001 - 2000	1768	3.8371	2821669	3.0780
2001 - 3000	638	1.3846	1656152	1.8066
3001 - 4000	362	0.7856	1329330	1.4501
4001 - 5000	311	0.6750	1497508	1.6335
5001 - 10000	486	1.0548	3642738	3.9736
10001 & above	455	0.9875	72743316	79.3509
Total	46077	100.0000	91673000	100.0000

Shareholding Category as on 31st March, 2019

Category	No. of Shares held	% to total
Promoter and Promoter Group	46751700	51.0000
Public:		
Financial Institutions / Banks	280504	0.3060
Individuals	27959697	30.4993
NBFCs registered with RBI	800	0.0009
IEPF	474435	0.5175
Trusts	5470	0.0060
Foreign National	31240	0.0341
Hindu Undivided Family	1528326	1.6671
Non Resident Indians (Non Repat)	339291	0.3701
Non Resident Indians (Repat)	1645696	1.7952
Clearing Members	289378	0.3157
Bodies Corporate	12366463	13.4898
Grand Total	91673000	100.0000

m. **Dematerialisation of shares:** About 71% of the Company's paid-up equity share capital has been dematerialised up to 31st March, 2019.

The details of demat of shares as on 31st March, 2019, are as under:-

	No. of Shareholders	No. of Shares	% of capital
NSDL	19470	54966854	59.96
CDSL	11780	9805749	10.70

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.

n. **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.

o. **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.

p. Hospitals Location :

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

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

q. Address for Correspondence:

M/s. Indraprastha Medical Corporation Limited
Sarita Vihar, Delhi-Mathura Road,
New Delhi - 110076

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

r. Credit Ratings

During the year ended 31st March, 2019, ICRA had given long term credit ratings at [ICRA]AA (pronounced ICRA Double A) and short term credit ratings at [ICRA]A1+ (pronounced ICRA A One Plus) for Rs. 100.0 crore bank facilities, to the Company. There has been no change in the credit ratings during the year.

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, 2019, 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. 30K 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 behaviour in the areas of business conduct is of utmost priority to the Company.

The Company has established a vigilance mechanism namely 'Whistle Blower Policy' for directors and employees to report concerns about unethical behaviour, 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, 2019, no matter has been received under Whistle Blower Policy of the Company and 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.

e. web link where policy for determining 'material' subsidiaries is disclosed

The Company does not have a subsidiary, hence it is not applicable.

f. web link where policy on dealing with related party transactions

<https://delhi.apollohospitals.com/downloads/materiality-of-related-party-transactions.pdf>

g. Disclosure of commodity price risks and commodity hedging activities

The Company has no commodity price risks and commodity hedging activities.

h. Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under regulation 31(7A): Not Applicable

i. Certification by Practising Company Secretary: Mr. Baldev Singh Kashtwal – Practising Company Secretary has issued a certificate under the Listing Regulations, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed with this section.

j. Acceptance of recommendations made by the Committees

During the financial year 2018-19, the Board has accepted all the recommendations of its Committees.

k. Total Fees paid to Statutory Auditors

The details of total fees paid by the Company to the statutory auditors are as under:-

(Rs. in million)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
As Statutory Auditor	1.85	2.10
For taxation matters	0.13	0.13
Reimbursement of Expenses	0.21	0.13
Total	2.19	2.36

l. Disclosures under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Number of complaints filed during the financial year 2018-19	5
Number of complaints disposed off during the financial year 2018-19	5
Number of complaints pending as on end of the financial year	Nil

11. CEO/CFO CERTIFICATION

The Managing Director and the Chief Financial Officer have issued a certificate pursuant to Regulation 17 of the Listing Regulations certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate from Mr. Ashok Bajpai, Managing Director and Mr. C. P. Tyagi, Chief Financial Officer was placed before the Board of Directors at its meeting held on 8th May, 2019.

12. COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

The certificate issued by Mr. Baldev Singh Kashtwal–Practising Company Secretary, on compliance of Corporate Governance norms is annexed to this Report.

13. UNPAID / UNCLAIMED DIVIDENDS

In accordance with the provisions of Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules) dividends not encashed / claimed within seven years from the date of declaration are to be transferred to the Investor Education and Protection Fund (IEPF) Authority.

The IEPF Rules mandate companies to transfer shares of Members whose dividends remain unpaid / unclaimed for a continuous period of seven years to the demat

account of IEPF Authority. The Members whose dividend / shares are transferred to the IEPF Authority can claim their shares / dividend from the Authority.

In accordance with the said IEPF Rules and its amendments, the Company had sent notices to all the Shareholders whose shares were due to be transferred to the IEPF Authority and simultaneously published newspaper advertisement.

In terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 / Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, Rs. 23,91,656/- of unpaid / unclaimed dividend for the year 2010-11 and 45,676 shares were transferred during the financial year 2018-19 to the Investor Education and Protection Fund.

The Company has appointed a Nodal Officer under the provisions of IEPF, the details of which are available on the website of the Company.

The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 24th September, 2018 (date of last AGM) on the Company's website delhi.apollohospitals.com and on the website of the Ministry of Corporate Affairs at www.iepf.gov.in.

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 delhi.apollohospitals.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 Managing Director

The Company has separate post of Chairman and Managing Director.

E. Reporting of Internal Auditors

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

For and on behalf of the Board

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

Suneeta Reddy
(DIN : 00001873)
Director

Place: New Delhi
Date : 26th July, 2019

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, 2019, as stipulated in Part C, D and E 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 : Delhi
Date : July 20, 2019

CS BALDEV SINGH KASHTWAL
PRACTISING COMPANY SECRETARY
C. P. No. 3169

CERTIFICATE

(Pursuant to Clause 10 of part C of Schedule V of LODR)

In pursuance of sub clause (i) of Clause 10 of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; in respect of Indraprastha Medical Corporation Limited (Corporate Identity Number: L24232DL1988PLC030958) having its registered office at Sarita Vihar, Delhi-Mathura Road, New Delhi-110076, I hereby certify that on the basis of the written representation/ declaration received from the Directors and taken on record by the Board of Directors, as on 31st March, 2019, none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Board / Ministry of Corporate Affairs or any such statutory authority.

Date : 19th June, 2019

Place : Delhi

CS BALDEV SINGH KASHTWAL

Practising Company Secretary

C.P. No. 31693

CERTIFICATE

**Declaration Regarding Compliance by Board Members and Senior Management Personnel
with the Company's Code of Conduct**

To,

The Members of Indraprastha Medical Corporation Limited,

This is to confirm that the Board of Directors had adopted a Code of Conduct for all the Board Members and Senior Managerial Personnel of the Company. The Code of Conduct is available on the website of the Company.

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, 2019.

Date : 10th June, 2019

Place : New Delhi

Ashok Bajpai
Managing Director

CEO-CFO CERTIFICATE

To,

20th April, 2019

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 2019

Dear Sir(s),

- A. We have reviewed financial statements and the cash flow statement for the year 2018-19 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and that there are no deficiencies in the design or operation of such internal controls.
- D. There are no:
- (1) significant changes in internal control over financial reporting during the year;
 - (2) significant changes in accounting policies during the year and
 - (3) instances of significant fraud.

Ashok Bajpai
Managing Director

C.P. Tyagi
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

To the Members of
Indraprastha Medical Corporation Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the financial statements of Indraprastha Medical Corporation Limited ("the Company"), which comprise the balance sheet as at 31 March, 2019, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2019, and its profit, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in

forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

LITIGATION MATTERS

Description of Key Audit Matter

As discussed in Note 30.B (i) and (iii), Note 30.C, 30.D to the financial statements, the Company have contingent liabilities arising from many litigative matters including the following significant matters which are the key matters and may have significant impact on the operations of the Company:

- Free treatment of underprivileged patients as per the terms of lease deed with Delhi Government: On a Public Interest Litigation (PIL) regarding free treatment in the hospital the Hon'ble Delhi High Court vide its order dated 22 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. The Hon'ble Supreme Court of India has admitted the Special Leave Petition and passed an interim order on 30 November 2009. In pursuance of the interim order, the Hospital has been providing free treatment to the patients referred by the Govt. of NCT of Delhi. The hospital is charging for medicines & medical consumables from patients referred by the Govt. of NCT of Delhi for free treatment in the Hospital in accordance with the directions of the Hon'ble Supreme Court of India. 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.
- Fixation of salary of nurses working in Private Hospitals: In response to a writ petition filed before the Hon'ble High Court of Delhi by Indian Professional Nurses Association seeking directions regarding compliance of Hon'ble Supreme Court Judgement, the Directorate General of Health Services (DGHS), Govt. of NCT of Delhi has issued an order on 25 June, 2018. which inter-alia provides that in case of more than 200 bedded hospitals, salary given to private nurses should be at par with the salary of the State Government nurses given in the concerned State / Union territory for the similar grade.

The Association of Healthcare Providers of India (AHPI) of which the Company is also a member has filed a writ petition in the Hon'ble High Court of Delhi challenging

the order issued by DGHS. The Notice on the petition has been issued and the matter is sub-judices. If the order issued by DGHS, Govt. of NCT of Delhi is to be implemented, the consequent rise in costs shall have major adverse impact on the financials of the Company. After series of hearings, the matter is now reserved for judgement.

The management needs to exercise significant judgement and take into account related laws and regulations in assessing the effects of the litigation, in order to determine the corresponding liabilities. However, the actual outcomes of the litigation may differ from the estimates. There are therefore risks with respect to the recognition of provision or disclosure of contingent liabilities with respect to the litigation. Therefore, we gave significant attention to the audit of this litigation.

HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER

- We inquired with the Company's management and legal department regarding the procedures followed to collate and monitor lawsuits filed and pending as at the date of the financial statements.
- Reviewed legal consultation fees to check the completeness of the litigation notified by the Company.
- Inquired about the details and progress of cases and the methods/judgements applied by the management in estimating liabilities from litigation.
- Reviewed relevant conditions and provisions of agreements with counterparties (if any);
- Reviewed correspondences between the Company and the legal consultants involved in the litigation, including the Appeal's verdicts, appeals, petition and relevant supporting documentation used by management and prepared by external experts.
- Obtained independent status confirmation from the legal consultants whose services were used by the Company and their opinion on matter considering the current status.
- Reviewed the disclosures done by the Company in financial statements.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of

the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the annual financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure-A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The financial statements dealt with by this Report are in agreement with the books of accounts.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31 March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - 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"
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 30.B (i) and (iii) to the financial statements;

- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For S.N. Dhawan & Co LLP
Chartered Accountants
Firm Registration No.: 000050N/N500045
Rajeev K Saxena
Partner
Membership No.: 077974
Place: New Delhi
Date: 8th May, 2019

Annexure A to the Independent Auditor's Report of even date to the members of Indraprastha Medical Corporation Limited, on the financial statements for the year ended 31 March, 2019

ANNEXURE A

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the members of Indraprastha Medical Corporation Limited on the financial statements as of and for the year ended 31 March, 2019

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year and according to the information and explanation given to us, no material discrepancies were noticed on such verification between book records and the physical inventories. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the audit evidences provided to us, we report that, the title deeds of all the immovable properties (which are included under the head 'Property, Plant and Equipment) are held in the name of the Company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and according to the information and explanations given to us, no material discrepancies between physical inventory and book records were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits during the year and had no unclaimed deposits at the beginning of the year within the meaning of Sections 73 to 76 of the Act

and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have 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, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax, goods and services tax, duty of customs, value added tax, cess and other material statutory dues, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us, there are no dues outstanding in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute, except as mentioned below:

Name of the statute	Nature of dues	Amount in INR million	Amount paid under Protest in INR million	Period to which the amount relates	Forum where dispute is pending
Service tax under Finance Act, 1994	Service tax dues	27.61	7.71	2006-07 to 2010-11	CESTAT (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 borrowings to any bank or financial institution or government during the year. The Company did not have any outstanding debentures during the year.
- (ix) In our opinion and according to the information and explanations given to us, the Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) In our opinion and according to the information and explanations given to us, managerial remuneration has been paid by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V of the Act.
- (xii) The Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of Act, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Accordingly, provisions of clause 3 (xiv) of the order are not applicable.
- (xv) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act. Accordingly, provisions of clause 3 (xv) of the order are not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, provisions of clause 3 (xvi) of the order are not applicable.

For S.N. Dhawan & Co LLP
Chartered Accountants
Firm Registration No.: 000050N/N500045

Rajeev K Saxena
Partner

Membership No.: 077974
New Delhi: 8th May 2019

Annexure B to the Independent Auditor's Report of even date to the members of Indraprastha Medical Corporation Limited, on the financial statements for the year ended 31 March, 2019

ANNEXURE B

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

- 1) We have audited the internal financial controls over financial reporting of Indraprastha Medical Corporation Limited ("the Company") as of 31 March, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

- 2) The Board of Directors of the Company 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 issued by

the Institute of Chartered Accountants of India. 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 the company's 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 Act.

AUDITORS' RESPONSIBILITY

- 3) Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our

audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, 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 ICAI. 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 were established and maintained and if such controls operated effectively in all material respects.

- 4) Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
- 5) We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

- 6) A company's internal financial controls 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 controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) 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 (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

- 8) In our opinion, the Company has, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2019, 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.N. Dhawan & Co LLP
Chartered Accountants
Firm Registration No.: 000050N/N500045

Rajeev K Saxena
Partner

Membership No.: 077974
New Delhi: 8th May, 2019

BALANCE SHEET AS AT 31ST MARCH, 2019

	Particulars	Note No.	As at 31 st March 2019 (Rs. in million)	As at 31 st March 2018 (Rs. in million)
I.	ASSETS			
1	Non-current assets			
	(a) Property, Plant and Equipment	1	2,796.67	2,927.74
	(b) Capital work-in-progress		12.57	-
	(c) Intangible Assets	2	4.31	11.90
	(d) Financial Assets	3	15.50	20.51
	(e) Other non-current Assets	4	39.09	33.56
	Total of Non-current assets		2,868.14	2,993.71
2	Current assets			
	(a) Inventories	5	83.16	91.24
	(b) Financial Assets			
	(i) Trade receivables	6	762.02	844.74
	(ii) Cash and cash equivalents	7	168.18	25.16
	(iii) Bank Balances other than (ii) above	8	56.18	54.25
	(iv) Loans	9	3.23	3.99
	(v) Others	10	56.08	63.70
	(c) Current Tax Assets (Net)		47.42	77.63
	(d) Other current assets	11	179.27	168.31
	Total of Current assets		1,355.54	1,329.02
	TOTAL OF ASSETS		4,223.68	4,322.73
II.	EQUITY AND LIABILITIES			
1	Equity			
	(a) Equity Share capital	12	916.73	916.73
	(b) Other Equity	13	1,523.63	1,406.40
	Total of Equity		2,440.36	2,323.13
	Liabilities			
2	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	14	150.00	210.00
	(ii) Others	15	20.38	20.41
	(b) Provisions	16	98.19	87.30
	(c) Deferred tax liabilities (Net)	17	273.80	297.60
	Total of Non-current liabilities		542.37	615.31
3	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	18	2.90	385.57
	(ii) Trade payables	19		
	- Total outstanding dues of micro and small enterprises		4.19	-
	- Total outstanding dues of creditors other than micro and small enterprises		905.61	713.43
	(iii) Others	20	96.25	76.45
	(b) Other current liabilities	21	163.95	135.11
	(c) Provisions	22	68.05	73.73
	Total of Current liabilities		1,240.95	1,384.29
	TOTAL OF EQUITY AND LIABILITIES		4,223.68	4,322.73
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.N. Dhawan & Co. LLP

Chartered Accountants

Firm Reg. No. 000050N/N500045

Rajeev K Saxena

Partner

M. No. 077974

Place: New Delhi

Date: 8th May, 2019

Ashok Bajpai
(DIN 02463754)

Managing Director

Suneeta Reddy
(DIN 00001873)

Director

Ajay Kumar Singhal

Vice President Cum Company Secretary

C P Tyagi

Chief Financial Officer

Place: New Delhi

Date: 8th May, 2019

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	Note No.	For the year ended 31 st March 2019 (Rs. in million)	For the year ended 31 st March 2018 (Rs. in million)
I. Revenue from Operations	23	7,881.72	7,526.60
II. Other Income	24	4.67	7.91
III. Total Income (I+II)		7,886.39	7,534.51
IV. EXPENSES			
Stores & Spares consumed		1,449.62	1,398.40
Employee benefits expense	25	2,002.05	1,940.14
Finance costs	26	68.71	88.99
Depreciation and amortization expense		297.54	306.82
Other expenses	27	3,622.26	3,460.11
Total expenses (IV)		7,440.18	7,194.46
V. Profit before exceptional items and tax (III-IV)		446.21	340.05
VI. Exceptional Items		-	-
VII. Profit/(loss) before tax (V-VI)		446.21	340.05
VIII. Tax expense:			
(1) Current tax		185.28	139.31
(2) Deferred tax		(23.20)	(10.29)
IX. Profit/(loss) for the year (VII-VIII)		284.13	211.03
X. Other Comprehensive Income			
(i) Items that will not be reclassified subsequently to profit or loss			
Re-measurement gains (losses) on defined benefit plans		(1.72)	3.73
Income Tax effect (Deferred Tax)		0.60	(1.30)
		(1.12)	2.43
XI. Total Comprehensive Income for the year (Comprising Profit (Loss) and Other Comprehensive Income for the year)		283.01	213.46
XII. Earnings per equity share			
(1) Basic		3.10	2.30
(2) Diluted		3.10	2.30
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.N. Dhawan & Co. LLP

Chartered Accountants

Firm Reg. No. 000050N/N500045

Rajeev K Saxena

Partner

M. No. 077974

Place: New Delhi

Date: 8th May, 2019

Ashok Bajpai
(DIN 02463754)

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(DIN 00001873)

Director

Ajay Kumar Singhal

Vice President Cum Company Secretary

C P Tyagi

Chief Financial Officer

Place: New Delhi

Date: 8th May, 2019

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

EQUITY SHARE CAPITAL

Particulars	Balance as at 1 st April, 2018		Changes in equity share capital during the year		Balance as at 31 st March, 2019	
	Number	Amount Rs. in million	Number	Amount Rs. in million	Number	Amount Rs. in million
100,000,000 Equity Shares of Rs.10/- each	100,000,000	1,000.00	-	-	100,000,000	1,000.00
Issued, Subscribed and Paid up						
Equity Shares of Rs. 10/- each Fully paid up	91,673,000	916.73	-	-	91,673,000	916.73

OTHER EQUITY

(Rs. in million)

Particulars	Reserves & Surplus				Items of Other Comprehensive Income	Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings		
Balance as at 1 st April, 2018	-	-	427.50	972.40	6.50	1,406.40
Total Comprehensive Income for the year	-	-	-	284.13	(1.12)	283.01
Dividend (including tax on dividend)	-	-	-	(165.78)	-	(165.78)
Balance as at 31 st March, 2019	-	-	427.50	1,090.75	5.38	1,523.63

As per our separate report of even date attached
For S.N. Dhawan & Co. LLP
Chartered Accountants
Firm Reg. No. 000050N/N500045

Rajeev K Saxena
Partner
M. No. 077974

Place: New Delhi
Date: 8th May, 2019

Ashok Bajpai
(DIN 02463754)

Managing Director

Suneeta Reddy
(DIN 00001873)

Director

Ajay Kumar Singhal

Vice President Cum Company Secretary

C P Tyagi

Chief Financial Officer

Place: New Delhi
Date: 8th May, 2019

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	Year ended March 31, 2019 (Rs. in million)	Year ended March 31, 2018 (Rs. in million)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	446.21	340.05
Add:		
Depreciation and amortization expense	297.54	306.82
Interest expense	30.01	55.85
Loss on discarded Property, Plant & Equipment	14.24	13.75
Deduct:		
Interest received	4.67	7.91
Operating Profit before Working Capital changes	783.33	708.56
Adjustments for:		
Trade & Other Receivables	83.47	243.50
Trade payables	41.38	(318.14)
Inventories	8.08	8.25
Cash Generated from Operations	916.26	642.17
Deduct:		
Interest paid	(9.32)	(36.86)
Income tax paid	(155.09)	(128.32)
Net Cash from Operating Activities	751.85	476.99
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment (Net of sale)	(170.94)	(306.92)
Interest received	3.95	7.91
Net Cash from Investing Activities	(166.99)	(299.01)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from current borrowings	100.00	1,700.00
Proceeds from non-current borrowings	-	300.00
Repayment of non-current borrowings	(60.00)	(55.00)
Repayment of current borrowings	(300.00)	(1,900.00)
Interest paid	(20.70)	(18.99)
Dividend paid (including Tax on Dividend)	(161.14)	(198.21)
Net Cash from Financing Activities	(441.84)	(172.20)
Net increase / (decrease) in Cash and Cash equivalents	143.02	5.78
Opening Cash and Cash equivalents	25.16	19.38
Closing Cash and Cash equivalents	168.18	25.16
Components Cash and Cash equivalents		
Cash balance on hand	7.87	5.08
Balance with Banks	160.31	20.08

As per our separate report of even date attached
For S.N. Dhawan & Co. LLP
Chartered Accountants
Firm Reg. No. 000050N/N500045

Rajeev K Saxena
Partner
M. No. 077974

Place: New Delhi
Date: 8th May, 2019

Ashok Bajpai
(DIN 02463754)

Suneeta Reddy
(DIN 00001873)

Ajay Kumar Singhal

C P Tyagi

Place: New Delhi
Date: 8th May, 2019

Managing Director

Director

Vice President Cum Company Secretary

Chief Financial Officer

NOTES TO FINANCIAL STATEMENTS

Annual Report
2018-19

1. PROPERTY, PLANT & EQUIPMENT

(Rs. in million)

Particulars	Building	Furniture & Fittings	Plant & Machinery	Office Equipment	Medical Equipment	Surgical Instruments	Vehicles	Total
Cost as at 1 st April, 2018	1,873.10	153.09	40.61	238.34	1,400.73	93.84	31.28	3,830.99
Additions	-	11.39	11.93	11.59	97.58	17.92	21.60	172.01
Deletions / Adjusted	-	(0.34)	(0.47)	(6.42)	(27.03)	(50.34)	(1.12)	(85.72)
Cost at 31 st March, 2019	1,873.10	164.14	52.07	243.51	1,471.28	61.42	51.76	3,917.28
Accumulated Depreciation upto 31 st March, 2018	(268.73)	(59.84)	(6.06)	(154.13)	(350.75)	(53.67)	(10.07)	(903.25)
Depreciation for the year	(70.80)	(17.41)	(3.26)	(27.73)	(135.29)	(28.01)	(6.02)	(288.52)
Written Back / Adjusted	-	0.15	0.04	4.62	15.36	50.34	0.65	71.16
Accumulated Depreciation up to 31 st March, 2019	(339.53)	(77.10)	(9.28)	(177.24)	(470.68)	(31.34)	(15.44)	(1,120.61)
Net carrying amount as at 31 st March, 2019	1,533.57	87.04	42.79	66.27	1,000.60	30.08	36.32	2,796.67

Particulars	Building	Furniture & Fittings	Plant & Machinery	Office Equipment	Medical Equipment	Surgical Instruments	Vehicles	Total
Cost as at 1 st April, 2017	1,874.10	143.91	20.01	222.61	1,208.55	70.09	24.94	3,564.21
Additions	-	9.30	20.63	15.73	232.37	23.75	6.34	308.12
Deletions / Adjusted	(1.00)	(0.12)	(0.03)	-	(40.19)	-	-	(41.34)
Cost at 31 st March, 2018	1,873.10	153.09	40.61	238.34	1,400.73	93.84	31.28	3,830.99
Accumulated Depreciation upto 31 st March, 2017	(196.62)	(40.53)	(3.69)	(108.92)	(236.73)	(32.48)	(6.30)	(625.27)
Depreciation for the year	(72.69)	(19.36)	(2.38)	(45.21)	(132.19)	(21.19)	(3.77)	(296.79)
Written Back / Adjusted	0.58	0.05	0.01	-	18.17	-	-	18.81
Accumulated Depreciation up to 31 st March, 2018	(268.73)	(59.84)	(6.06)	(154.13)	(350.75)	(53.67)	(10.07)	(903.25)
Net carrying amount as at 31 st March, 2018	1,604.37	93.25	34.55	84.21	1,049.98	40.17	21.21	2,927.74

NOTES TO FINANCIAL STATEMENTS

	Particulars	As at 31 st March 2019 (Rs. in million)	As at 31 st March 2018 (Rs. in million)
2	Intangible Assets	Software Licenses	Software Licenses
	Cost as at beginning of the year	48.29	44.73
	Additions	1.43	3.56
	Disposals	-	-
	Cost at end of the year	49.72	48.29
	Accumulated Amortization at beginning of the year	(36.39)	(26.36)
	Amortization for the year	(9.02)	(10.03)
	Disposals	-	-
	Accumulated Amortization at end of the year	(45.41)	(36.39)
	Net carrying amount as at end of the year	4.31	11.90
3	Financial Assets		
	Financial Assets at amortised cost		
	Fixed deposits kept as Margin Money with Bank	0.14	3.02
	Other Fixed Deposit	0.38	0.06
	Security Deposit	14.98	17.43
		15.50	20.51
4	Other Non-Current Assets		
	(Considered good)		
	Capital Advances	21.04	15.99
	Security Deposits	18.05	17.57
		39.09	33.56
5	Inventories		
	Stores & spares	75.92	80.90
	Crockery & utensil	3.70	3.41
	Linen	3.54	6.93
		83.16	91.24
6	Trade Receivables		
	Unsecured		
	- Considered Good	762.02	844.74
	- Considered Doubtful	102.03	108.96
	Less: Allowances for doubtful receivables	(102.03)	(108.96)
		762.02	844.74
	Includes amount due from related parties (refer note 30K)		
7	Cash and Cash Equivalent		
	Cash balance on hand	7.87	5.08
	Balances with Banks		
	- in current accounts	9.15	20.08
	- in deposit accounts	151.16	-
		168.18	25.16
8	Bank Balances other than Cash and Cash equivalent		
	Fixed Deposit - Margin Money with Bank	25.50	30.45
	Fixed Deposit others (restricted)	10.63	8.39
	Earmarked Balances - Unpaid dividend Accounts	20.05	15.41
		56.18	54.25

NOTES TO FINANCIAL STATEMENTS

	Particulars	As at 31 st March 2019 (Rs. in million)	As at 31 st March 2018 (Rs. in million)
9	Loans		
	Financial Assets at amortised cost		
	Employee loans	3.23	3.99
		3.23	3.99
10	Other financial assets		
	Financial Assets at amortised cost		
	Lease Rent Receivable	2.84	16.25
	Patient Treatment in Progress (Net of Advances)	53.24	47.45
		56.08	63.70
11	Other Current Assets		
	(Unsecured ,considered good)		
	Advance for expenses	4.20	7.53
	Export Incentives	71.76	59.29
	Prepaid Expenses	103.31	101.49
		179.27	168.31
12	Equity Share Capital		
	Authorised		
	100,000,000 Equity Shares of Rs.10/- each	1,000.00	1,000.00
		1,000.00	1,000.00
	Issued, Subscribed and Paid up	916.73	916.73
	(91,673,000 equity shares of Rs. 10/- each fully paid up)		
		916.73	916.73

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

Name of Shareholder	As at 31 st March, 2019		As at 31 st March, 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Government of National Capital Territory of Delhi (Including nominees)	23,834,200	26.00%	23,834,200	26.00%
Apollo Hospitals Enterprise Limited	20,190,740	22.02%	20,190,740	22.02%
Housing Development Finance Corporation Limited	6,146,897	6.71%	6,146,897	6.71%

(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.

(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 @ 16% (Rs. 1.60/- per share) for the financial year 2018-19.

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.

NOTES TO FINANCIAL STATEMENTS

Particulars	As at 31 st March 2019 (Rs. in million)	As at 31 st March 2018 (Rs. in million)
13 Other Equity		
a. General Reserve		
Opening balance	427.50	427.50
	427.50	427.50
b. Surplus in Statement of Profit and Loss		
Opening balance	972.40	959.97
Add : Surplus for the year	284.13	211.03
Less: Dividend	137.51	165.01
Less: Tax on Dividend	28.27	33.59
	1,090.75	972.40
c. Other Comprehensive Income		
Opening balance	6.50	4.07
Add : Re-measurements of Defined Employee Benefits plans	(1.12)	2.43
	5.38	6.50
Total	1,523.63	1,406.40
14 Non - Current Borrowings		
Term Loans (Secured Loans)		
Loans from Banks	150.00	210.00
	150.00	210.00

Term loan of Rs. 300 million from Hongkong and Shanghai Banking Corporation Limited was taken during the financial year 2017-18 and carry interest @ 8.90% p.a. This loan is repayable in 20 quarterly instalments of Rs. 15.00 million each starting from the end of three months from the date of first disbursement. This loan is secured by way of exclusive charge on the plant and machinery and other moveable assets except those financed by other lenders.

15 Other Financial liabilities		
Financial liabilities at amortised cost		
Security Deposits	20.38	20.41
	20.38	20.41
16 Non - Current Provisions		
Provision for Employees Benefits	98.19	87.30
	98.19	87.30
17 Deferred Tax Liabilities (Net)		
Deferred tax liability (net) as on date is as follows:		
On account of depreciation	391.29	399.12
Less: Deferred tax assets arising on account of		
Allowance for doubtful receivables	35.65	38.07
Provision for Employee benefits and others	81.84	63.45
Net deferred tax liability	273.80	297.60

NOTES TO FINANCIAL STATEMENTS

	Particulars	As at 31 st March 2019 (Rs. in million)	As at 31 st March 2018 (Rs. in million)
18	Current Borrowings		
	Loan repayable on demand (Secured)		
	From Banks	2.90	185.57
	Commercial Paper (Unsecured)		
	From Banks	-	100.00
	From Others	-	100.00
		2.90	385.57
	The company has availed cash credit limit of Rs. 150 million from State Bank of India to meet the working capital requirements at an interest rate of 8.75% 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. 250 million from ICICI bank at an interest rate of 9.25%, 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. 250 million.		
	The details of commercial paper outstanding as on 31 st March, 2018 were as follows:		
	1. Commercial paper of Rs. 100 million has been subscribed by ICICI Bank Limited at interest rate of 7.80% and with maturity date of 13 th June, 2018.		
	2. Commercial paper of Rs. 100 million subscribed by Invesco Trustee Private Limited at interest rate of 7.90% and with maturity date of 15 th June, 2018.		
19	Trade Payables		
	Due to Micro & Small Enterprises	4.19	-
	Due to Others:		
	For Expenses	534.11	410.36
	For others	371.50	303.07
		909.80	713.43
	Includes amount payable to related parties (refer note 30K)		
20	Other Financial liabilities		
	Financial liabilities at amortised cost		
	Current Maturities of non-current debt	60.00	60.00
	Sundry Creditors for capital items	36.25	16.45
		96.25	76.45
21	Other Current liabilities		
	Advance from patients	97.84	77.01
	Unclaimed Dividend	20.05	15.41
	Statutory Liabilities	36.93	33.73
	Others	9.13	8.96
		163.95	135.11
22	Current Provisions		
	Employees benefits:		
	Provision for Leave	10.02	10.07
	Provision for Gratuity	58.03	63.66
		68.05	73.73

NOTES TO FINANCIAL STATEMENTS

	Particulars	For the year ended 31 st March 2019 (Rs. in million)	For the year ended 31 st March 2018 (Rs. in million)
23	Revenue from operation		
	Sale of services	7,600.22	7,237.82
	Other operating revenue		
	License fee & commission from licensees	159.13	174.86
	Chamber rent received from doctors	24.87	24.43
	Export incentive	73.35	60.55
	Miscellaneous income	24.15	28.94
		7,881.72	7,526.60
24	Other Income		
	Interest Income	4.67	7.91
		4.67	7.91
25	Employee benefits expense		
	Salaries and wages	1,811.58	1,744.26
	Contribution to provident & other funds	112.58	131.47
	Staff welfare	77.89	64.41
		2,002.05	1,940.14
26	Finance costs		
	Interest Cost	30.01	55.85
	Others	38.70	33.14
		68.71	88.99
27	Other expenses		
	Professional charges to doctors	1,975.55	1,937.65
	Outside lab investigations	11.54	11.21
	Leasehold ground rent	-	-
	Power and Fuel	197.03	192.63
	Rent	49.00	49.80
	Travelling and Conveyance	94.24	85.93
	Insurance	12.25	11.98
	Directors' sitting fees	1.63	2.50
	Communication	13.42	15.86
	Printing and stationery	58.05	53.31
	Advertisement, Publicity & Marketing	433.97	387.63
	Legal and professional charges	37.90	33.88
	Security charges	42.88	40.75
	Payment to auditors	1.98	2.23
	Auditors out of pocket expenses	0.21	0.13

NOTES TO FINANCIAL STATEMENTS

Particulars	For the year ended 31 st March 2019 (Rs. in million)	For the year ended 31 st March 2018 (Rs. in million)
Rates, taxes and licenses	36.47	38.86
Corporate social responsibility expenses	8.74	9.19
Loss on disposal of Property Plant and Equipment	14.24	13.75
Outsourcing Expenses	424.19	349.06
Repairs and maintenance		
- Building	38.87	56.93
- Plant & Machinery	108.29	95.81
- Others	33.34	41.91
Miscellaneous expenses	4.83	3.61
Provision for Doubtful Debts	23.64	25.50
	3,622.26	3,460.11

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 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 as amended.

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

NOTES TO FINANCIAL STATEMENT

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.

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.

NOTES TO FINANCIAL STATEMENT

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 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 each reporting period.

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.

NOTES TO FINANCIAL STATEMENT

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, whichever 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.

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 licenses 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.

NOTES TO FINANCIAL STATEMENT

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 year. The Company did not have any potentially dilutive securities in any of the years 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.

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 that 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.

NOTES TO FINANCIAL STATEMENT

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.

30. NOTES ON ACCOUNTS

A. Estimated amount of contracts remaining to be executed on capital account and not provided for is Rs. 213.90 million (Previous year Rs. 8.89 million).

NOTES TO FINANCIAL STATEMENT

B. Contingent Liability

- i) Claims against the company not acknowledged as debt Rs. 443.99 million (Previous Year Rs. 467.03 million) and interest thereon. This represents suits filed against the company and the consultant doctor. Based on the facts and circumstances, possibility of any of the claims resulting in a major financial loss to the company is remote. Notwithstanding above, the company is adequately insured to mitigate the possibility of any loss.
- ii) Letters of credit / Bank guarantees outstanding on account of stores / spares and medical equipment amounting to Rs. 9.22 million (Previous year Rs. 22.83 million)

(Rs. in million)

iii) In respect of :	31.03.2019	31.03.2018
a) Service Tax	19.90	19.90
b) Others	27.75	107.14

C. 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. 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 has been providing free treatment to the patients referred by the Govt. of NCT of Delhi. The hospital is charging for medicines & medical consumables from patients referred by the Govt. of NCT of Delhi for free treatment in the Hospital in accordance with the directions of the Hon'ble Supreme Court of India. 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.

D. "The Govt. of NCT of Delhi had issued an order dated 25th Jun, 2018, which inter-alia provides that in case of more than 200 bedded hospitals, salary given to private nurses should be at par with the salary of the nurses in the State Government hospitals. The order issued by Govt. of NCT Delhi is based on the recommendations of the Expert Committee of Ministry of Health and Family Welfare, Govt. of India, which was constituted in compliance of the Hon'ble Supreme Court judgment dated 29-01-2016 in WP (C) 527/2011 in the matter of Trained Nurses Association of India Vs. Union of India & Ors.

The Association of Healthcare Providers of India (AHPI) of which the Company is a member has filed a writ petition in the High Court of Delhi challenging the order issued by Directorate General of Health Services (DGHS). The Notice on the petition has been issued and the matter is sub-judice with the Court having ordered the Govt not to take any coercive steps in furtherance of the impugned order. If the order issued by Govt. of NCT of Delhi is to be implemented, shall have a major adverse impact on the financials of the Company. As on date, after series of hearings, the matter is reserved for judgement by the Hon'ble High Court.

E. "The Govt. of NCT of Delhi announced a revision in minimum wages of around 37% w.e.f. 03.03.2017 vide its gazette notification dated 04.03.2017. A number of employer associations / individual corporate entities including the company filed a writ petition in the High Court seeking injunction against the minimum wage notification on grounds of procedural inappropriateness. Judgement in the matter was delivered by the High Court on 04.08.2018 quashing the Government's notification dated 04.03.2017. However, the Govt. of NCT of Delhi has filed a special leave petition before the Hon'ble Supreme Court praying for stay of the High Court order.

While the special leave petition has been kept pending, the Hon'ble Supreme Court during the pendency of the special leave petition, made the following directions:

- a) While the SLP will remain pending, as an interim arrangement the Notification dated 03.03.2017 will hold the field.
- b) Without prejudice to the rights of the Parties, the Petitioner is directed to carry out a de-novo process of revision of rate of minimum wages under Section 5(1)(a) or 5(1)(b), as the Petitioner may opt, within 3 months. The Stakeholders are at liberty to make representation before the Committee.
- c) With regard to payment of arrears, the same would only be payable after the minimum wages are notified pursuant to the direction made by the Hon'ble Supreme Court.

Basis the above, the company has been making regular payment to workforce effective 01.11.2018 in compliance with Hon'ble Supreme Court directions. The impact of revised minimum wages has been Rs. 6.50 million per month.

NOTES TO FINANCIAL STATEMENT

The company has an adequate provision of Rs. 78.00 million as on 31.03.2019 to meet the liability, if any arising out of arrears as mentioned in (c) above.

As on date, the is matter is pending before Hon'ble Supreme Court.

- F.) i) Under the terms of the agreement between the Government of NCT of Delhi and the company, the Hospital project of the company has been put up on the land belonging to Government of NCT of Delhi. The Government of NCT of Delhi is committed to meet the expenditure to the extent of Rs. 154.78 million 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, 2019, the aforesaid fund, together with interest thereon amounting to Rs. 192.36 million have been utilized towards progress payments to contractors, advances to contractors, payments for materials, etc. The ownership of the building between Government of NCT of Delhi and the company will be decided at a future date keeping in view the lease agreement.
- ii) Other expenses include Rs. 12/- (previous year Rs. 12/-) towards leasehold ground rent as per the terms of agreement between Govt. of NCT of Delhi and the company.

G. 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:

		(Rs. in million)	
		2018-19	2017-18
i)	Change in Present Benefit Obligation		
	Present value of obligation as at the beginning of the year	174.17	147.94
	Interest Cost	13.58	10.87
	Service Cost	17.69	39.43
	Benefits Paid	(11.75)	(19.00)
	Total Actuarial (Gain)/Loss on Obligation	2.02	(5.08)
	Present value of obligation as at the End of the year	195.71	174.16
ii)	Change in plan assets		
	Fair value of plan assets at the beginning of the year	110.51	121.90
	Expected return on plan assets	8.62	8.96
	Actuarial gain / (loss) on plan assets	0.30	(1.36)
	Employer contribution	30.00	0.00
	Benefits paid	(11.75)	(19.00)
	Fair value of plan assets at the end of the year	137.68	110.50
iii)	Balance Sheet and related analyses		
	Present Value of the obligation at year end	195.71	174.16
	Fair value of plan assets	137.68	110.50
	Unfunded Liability/provision in Balance Sheet	(58.03)	(63.66)
	Unfunded liability recognized in Balance Sheet	(58.03)	(63.66)

NOTES TO FINANCIAL STATEMENT

(Rs. in million)

	2018-19	2017-18
iv) The amounts recognized in the income statement		
Service Cost	17.69	39.43
Net Interest Cost	13.58	10.87
Expected return on plan assets	(8.62)	(8.96)
Expense recognized in the Income Statement	22.65	41.34
v) Other Comprehensive Income (OCI)		
Net cumulative unrecognized actuarial gain/(loss) opening	-	-
Actuarial gain / (loss) for the year on PBO	(2.02)	5.08
Actuarial gain /(loss) for the year on Asset	0.30	(1.36)
Unrecognized actuarial gain/(loss) at the end of the year	(1.72)	3.72
vi) Actuarial (Gain)/Loss on Obligation		
Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	-	-
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	2.30	(7.21)
Actuarial (Gain)/Loss on arising from Experience Adjustment	(0.28)	2.13
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	17.69	39.43
Interest Cost on Defined Benefit Obligation	13.58	10.87
	31.27	50.30
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	195.71	
Impact due to increase of 0.50 %	(8.12)	
Impact due to decrease of 0.50 %	8.74	
b) Impact of the change in salary increase		
Present Value of Obligation at the end of the period	195.71	

NOTES TO FINANCIAL STATEMENT

(Rs. in million)

	2018-19	2017-18
Impact due to increase of 0.50 %	8.88	
Impact due to decrease of 0.50 %	(8.32)	
x) Maturity Profile of Defined Benefit Obligation		
April 2019- March 2020	19.64	
April 2020- March 2021	3.11	
April 2021- March 2022	7.41	
April 2022- March 2023	10.07	
April 2023- March 2024	11.63	
April 2024- March 2025	9.18	
April 2025 onwards	134.67	
xi) The assumptions used in accounting for the defined benefit plan are set out below:		
	2018-19	2017-18
Discount Rate	7.66%	7.80%
Future Salary Increase	5.50%	5.50%
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:		
	2018-19	2017-18
– Contribution to Provident fund	49.19	49.10
– Contribution to Pension fund	27.51	28.40
– Contribution to ESI	10.02	9.15

H. 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

NOTES TO FINANCIAL STATEMENT

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 instruments is at its fair value.

(Rs. in million)

Particulars	As at 31 st March 2019	As at 31 st March 2018
Fixed rate instruments		
Long term borrowings	150.00	210.00
Current maturities of long term borrowings	60.00	60.00
Variable rate instruments		
Short term borrowings	2.90	185.57

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:

(Rs. in million)

Particulars	As at 31 st March 2019	As at 31 st March 2018
Borrowings:		
0-1 years	62.90	445.57
More than 1 years	150.00	210.00
Trade Payables:		
0-1 years	909.80	713.43
More than 1 years	-	-
Other Financial liabilities:		
0-1 years	96.25	76.45
More than 1 years	20.38	20.41

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.

NOTES TO FINANCIAL STATEMENT

I. Financial Instruments by category

The carrying value and fair value of financial instruments by categories as of 31st March, 2019 (Rs. in million)

Particulars	FVTPL	FVTOCI	Amortised Cost	Carrying Cost
Assets:				
Fixed deposits being Margin Money with Bank	-	-	0.14	0.14
Other Fixed Deposit			0.38	0.38
Security Deposit	-	-	14.98	14.98
Trade Receivables	-	-	762.02	762.02
Cash & Cash Equivalent	-	-	168.18	168.18
Bank Balances other than Cash & Cash equivalent	-	-	56.18	56.18
Loans	-	-	3.23	3.23
Lease Rent Receivable	-	-	2.84	2.84
Patient Treatment in Progress (Net of Advances)	-	-	53.24	53.24
Liabilities:				
Non - Current Borrowings	-	-	150.00	150.00
Security Deposits	-	-	20.38	20.38
Current Borrowings	-	-	2.90	2.90
Trade Payables	-	-	909.80	909.80
Other Financial liabilities	-	-	96.25	96.25

The carrying value and fair value of financial instruments by categories as of 31st March, 2018 (Rs. in million)

Particulars	FVTPL	FVTOCI	Amortised Cost	Carrying Cost
Assets:				
Fixed deposits being Margin Money with Bank	-	-	3.02	3.02
Other Fixed Deposit			0.06	0.06
Security Deposit	-	-	17.43	17.43
Trade Receivables	-	-	844.74	844.74
Cash & Cash Equivalent	-	-	25.16	25.16
Bank Balances other than Cash & Cash equivalent	-	-	54.25	54.25
Loans	-	-	3.99	3.99
Lease Rent Receivable	-	-	16.25	16.25
Patient Treatment in Progress (Net of Advances)	-	-	47.45	47.45
Liabilities:				
Non - Current Borrowings	-	-	210.00	210.00
Security Deposits	-	-	20.41	20.41
Current Borrowings	-	-	385.57	385.57
Trade Payables	-	-	713.43	713.43
Other Financial liabilities	-	-	76.45	76.45

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

NOTES TO FINANCIAL STATEMENT

J. RECENT ACCOUNTING PRONOUNCEMENTS

IndAS - 116 Leases: On March 30, 2019, Ministry of Corporate Affairs has notified IndAS 116, Leases. IndAS 116 will replace the existing leases Standard, IndAS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. IndAS - 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The effective date for adoption of Ind AS 116 is annual periods beginning on or after 01.04.2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application. Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:
 - Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
 - An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under IndAS - 17 immediately before the date of initial application. Certain practical expedients are available under both the methods.

On completion of evaluation of the effect of adoption of IndAS - 116, the Company is proposing to use the 'Modified Retrospective Approach' for transitioning to IndAS - 116, and take the cumulative adjustment to retained earnings, on the date of initial application w.e.f. 01.04.2019. Accordingly, comparatives for the year ended 31.03.2019 will not be retrospectively adjusted.

The Company is in the process of assessing the impact that it will have on the retained earnings as on 01.04.2019, on adoption of Ind AS - 116.

K. RELATED PARTY DISCLOSURES

(Rs. in million)

Name	Relationship	Nature of Transactions	31 st March, 2019	31 st March, 2018
Apollo Hospitals Enterprise Limited	Enterprise in respect of which the company is an associate	Pharmacy Consumables	141.31	131.57
		License Fees	12.00	12.00
		Commission on Pharmacy Sales	119.08	117.71
		Reimbursement of Expenses	54.57	70.75
		Account Payable	44.81	5.69
Dishnet Wireless Limited		Purchase of services	-	1.87
		Account Payable	-	-
Faber Sindoori Management Services (P) Limited		Purchase of services	73.03	63.81
		Account Payable	10.55	13.71
Life Time Wellness Rx International Ltd	Enterprise over which Directors are able to exercise significant influence	Purchase of services	0.96	-
		Account Payable	0.89	-
Apollo Sugar Clinics Limited		Purchase of services	2.83	2.81
		Account Payable	0.94	1.18
Apollo Home Healthcare Limited		Sale of Services	0.03	-
	Account Receivable	0.01	-	
Alliance Dental Care Limited		Share of revenue earned	11.72	11.49
		Account Payable	4.41	4.46
Family Health Plan Limited		Sale of Services	71.46	78.06
		Account Receivable	8.59	9.39

NOTES TO FINANCIAL STATEMENT

(Rs. in million)

Name	Relationship	Nature of Transactions	31 st March, 2019	31 st March, 2018
Apollo Munich Health Insurance Company Limited	Enterprise over which Directors are able to exercise significant influence	Medical Health Insurance premium	46.91	50.74
		Sale of Services	202.67	174.59
		Account Receivable	20.24	13.20
Jaideep Gupta *	Key Management Personnel	Managing Director	-	7.20
Ashok Bajpai		Managing Director	17.46	3.50
P. Shivakumar #		Chief Financial & Operating Officer	-	4.48
Ajay Kumar Singhal		Vice President cum Company Secretary	11.15	9.09
C P Tyagi		Chief Financial Officer	8.10	5.43
Non Executive Directors	Directors	Sitting fees	1.63	2.50
		Commission	3.30	7.70

* Mr. Jaideep Gupta, resigned as Managing Director effective from 31st December, 2017.

Mr. P. Shivakumar, resigned as Chief Financial & Operating Officer effective from 31st May, 2017.

- L. 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, 2019 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. 284.13 million (Previous Year Rs. 211.03 million) and the weighted average number of equity share is 91,673,000 (Previous Year 91,673,000) for this purpose.
- M. The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March, 2019 has been made in the financial statements based on information received and available with the Company. Further in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 ('The MSMED Act') is not expected to be material. The Company has not received any claim for interest from any supplier during the year.

(Rs. in million)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
(i) The amounts remaining unpaid to micro and small suppliers as at the end of the year		
– Principal	4.19	-
– Interest	-	-
(ii) The amount of interest paid by the buyer as per the MSMED Act	-	-
(iii) The amount of payments made to micro and small suppliers beyond the appointed day during the accounting year	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
(v) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act	-	-

- N. 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.

NOTES TO FINANCIAL STATEMENT

- O. Pursuant to sub section (5) of section 135 of the Companies Act, 2013, the Company was required to spend Rs 7.60 million (Previous Year Rs. 9.06 million) in respect of its “Corporate Social Responsibility Policy (CSR Policy)” on eligible activities. During the financial year, the company has spent Rs. 8.74 million (Previous Year Rs. 9.19 million) on such eligible activities. The said amount stands debited under the head “Other expenses”.
- P. 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.
- Q. Payment to Auditors:

(Rs. in million)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
As Statutory Auditor	1.85	2.10
For Taxation matters	0.13	0.13
Reimbursement of Expenses	0.21	0.13
Total	2.19	2.36

R. Income taxes:

(a) Reconciliation of Deferred tax liabilities (net):

(Rs. in million)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Balance at the beginning of the year	297.60	306.59
Deferred tax (income)/expenses during the year recognized in Statement of Profit and loss	(23.20)	(10.29)
Deferred tax (income)/expenses during the year recognized in Other Comprehensive income	(0.60)	1.30
Deferred tax (income)/expenses during the year recognized directly in equity	-	-
Balance at the end of the year	273.80	297.60

(b) 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	As at 31 st March, 2019	As at 31 st March, 2018
Accounting profit before tax	444.49	343.78
Applicable tax rates	34.944%	34.608%
Computed expected tax expense	155.32	118.98
Effect of Non-deductible expenses	6.16	11.34
Tax expense	161.48	130.32

As per our separate report of even date attached

For S.N. Dhawan & Co. LLP

Chartered Accountants

Firm Reg. No. 000050N/N500045

Rajeev K Saxena

Partner

M. No. 077974

Place: New Delhi

Date: 8th May, 2019

Ashok Bajpai

(DIN 02463754)

Managing Director

Suneeta Reddy

(DIN 00001873)

Director

Ajay Kumar Singhal

C P Tyagi

Vice President Cum Company Secretary

Chief Financial Officer

Place: New Delhi

Date: 8th May, 2019

ROUTE MAP

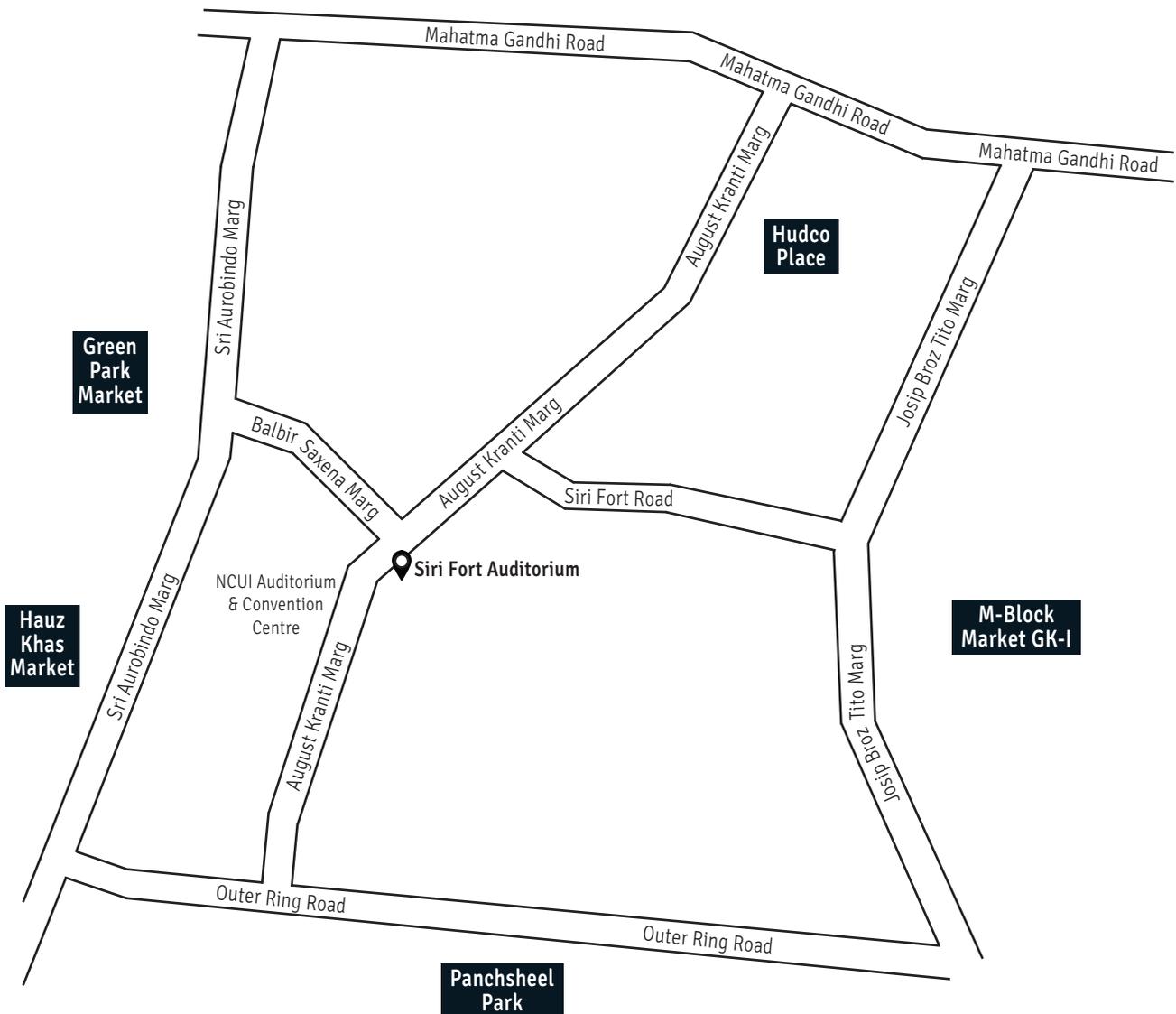
Indraprastha Medical Corporation Limited 31st Annual General Meeting

Date : 20th September, 2019

Day : Friday

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]

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