

Apollo Lavasa Health Corporation Limited

Directors' Report

To,
The Members of
Apollo Lavasa Health Corporation Limited

1. Report

Your Directors are pleased to present the 3rd Annual Report together with the Audited Accounts for the financial year ended March 31, 2010.

2. Financial Information

	Year Ended March 31, 2010	(Rs. In Lacs) Period Ended March 31, 2009
Income from Operations	0.95	0.00
Other Income	1.18	35.65
Profit / (Loss) before Depreciation & Tax	(113.16)	33.92
Less: Depreciation	25.12	0.00
Profit before Tax	(138.28)	33.92
Less: Provisions for Tax	21.96	11.58
Profit / (Loss) after tax	(160.23)	22.35
Less : Prior Period Expenses	8.38	0.00
Add: Balance brought forward from last year	17.35	(5.00)
Balance Carried to Balance Sheet	(151.26)	17.35

3. Dividend

Your Directors do not recommend any dividend on equity shares for the financial year ended March 31, 2010.

4. Operations and Future outlook

The Apollo Hospitals group is in the process of establishing a healthcare and wellness centre at Lavasa. The first phase of Apollo Lavasa was launched in January 2010 with the opening of its 50-bed hospital. The second phase of development will be the Apollo Medicity. The proposed complex will be spread over 200 acres and the services shall encompass healthcare, wellness and rejuvenation. A primary hospital with long term and therapeutic care will also be housed on the property in addition to an R&D centre.

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Registered Office:

Apollo Lavasa Health Corporation Limited

Hincon House, LBS Marg, Vikhroli (West), Mumbai – 400 083, Maharashtra, India.

Tel: +91 22 4025 6400 Fax: +91 22 4025 6889

www.lavasa.com

5. Issue of Equity Shares

During the year under review, your Company had allotted 5,88,300 equity shares of Rs. 10/- each at a premium of Rs. 990/- per share to Lavasa Corporation Limited for consideration other than cash.

6. Holding Company

Lavasa Corporation Limited is holding 6,88,300 Equity Shares i.e. 93.28% of the paid up equity share capital of your Company aggregating to Rs.68,83,000/- and therefore is your Company's holding company.

7. Directors

Mr. Vithal P. Kulkarni and Ms. Shobana Kamineni retire by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment.

8. Secretarial Compliance Certificate

Secretarial Compliance Certificate pursuant to Section 383A of the Companies Act, 1956 is attached to this report.

9. Particulars of Employees and other additional information

Your Company has no employees requiring disclosure under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

10. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information as required under Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report on the Board of Directors) Rules, 1988 is not applicable to your Company.

Details of Foreign Exchange Earnings and Outgo is as follows :-

Income in Foreign Exchange	Nil
Expenditure in Foreign Exchange	Rs. 52.34 lacs

11. Directors' Responsibility Statement

The Board of Directors of your Company confirms that:

- a) in the preparation of your Accounts, the applicable accounting standards have been followed and there has been no material departure;

- b) the selected accounting policies were applied consistently and the Directors made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2010 and of the loss of the Company for the period ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Annual Accounts have been prepared on a going concern basis

12. Auditors

The Auditors of your Company, M/s K.S. Aiyar & Company, Chartered Accountants, Mumbai, hold office until the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. They have furnished a certificate to the effect that the proposed re-appointment, if made, will be in accordance with the limits specified under Section 224(1-B) of the Companies Act, 1956.

13. Auditors' Report

The Auditors' Report to the shareholders does not contain any qualifications.

14. Acknowledgements

Your Directors place on record their appreciation for the co-operation and assistance received from the Bankers, Central and State Government authorities and members during the period under review.

For and on behalf of the Board of Directors

Sd/-

Rajgopal Nogja
Chairman

Place: Mumbai
Date : April 21, 2010.

Registered Office:
Hincon House,
Lal Bahadur Shastri Marg,
Vikhroli (West),
Mumbai-400 083

HETAL B. SHAH
Practicing Company Secretary
B.Com, ACS

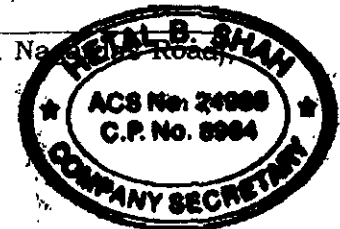
COMPLIANCE CERTIFICATE
(Under Section 383A (1) of the Companies Act, 1956)

The Members,
APOLLO LAVASA HEALTH CORPORATION LIMITED
Mumbai,

I have examined the necessary registers, records, books and papers of **APOLLO LAVASA HEALTH CORPORATION LIMITED** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the year ended on 31st March, 2010. In my opinion and to the best of my information and according to the examinations carried out by me and the explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure "A" to this certificate, as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. Save and except filing of Form 2 and 23 for preferential Allotment made during the year, the Company has duly filed the forms and returns as stated in Annexure "B" to this certificate with the Registrar of Companies, Maharashtra, Mumbai or such other authorities, with additional filing fees, in case of delay. The Company was not required to file any forms and returns with the Regional Director, Central Government, Company Law Board or other authorities.
3. The status of the Company, being Public Limited Company, comments are not required.
4. The Board of Directors duly met 6 (Six) times on 15.04.2009, 15.07.2009, 14.10.2009, 13.01.2010 and 31.03.2010 (11.00 A.M & 5.30 P.M) respectively, in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company was not required to close its Register of Members or Debenture holders during the financial year under review.
6. The Annual General Meeting for the financial year ended 31st March, 2009 was held on 3rd June, 2009 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. One Extra Ordinary General Meeting was held on 31.03.2010 after obtaining Shorter Notice Consent from the members, during the financial year under review and the minutes thereof were duly recorded in the minutes book maintained for the purpose.
8. The Company has not advanced any loans to its directors and / or persons or firms or Companies referred to in the Section 295 of the Act, during the year under review.
9. The Company has not entered into any contract attracting the provisions of Section 297 of the Act in respect of contracts specified in that section.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.

C/o. 211-B, Sona Udhyog, Parsi Panchayat Road (Extn. of Old Na Road),
Andheri (East), Mumbai - 400069. Contact No: 09320242211

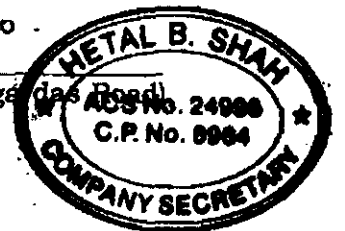


HETAL B. SHAH
Practicing Company Secretary
B.Com, ACS

11. As there were no instances falling within the purview of Section 314 of the Act, the Company was not required to obtain any approvals from the Board of Directors, Members or the Central Government.
12. The Company has not issued duplicate share certificates during the financial year under review and hence no comment is invited.
13. The Company has:
 - (i) Issued share certificates on allotment of shares under the provisions of the Act. There was no instance of transfer or transmission of shares or other securities during the year under review;
 - (ii) not declared any dividend during the financial year and hence the Company was not required to deposit any amount as unpaid dividend /interim dividend in a separate Bank Account;
 - (iii) not declared any dividend in the previous year and hence the Company was not required to pay / post warrants to any members of the Company;
 - (iv) not completed the period of seven years, hence no comment are invited;
 - (v) duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There were no appointment of additional directors, alternate directors and directors to fill casual vacancies, during the financial year under review.
15. The Company has not appointed any Managing Director / Whole time Director / Manager during the financial year under review.
16. The Company has not appointed any sole-selling agents during the financial year under review.
17. The Company was not required to obtain any approvals from the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Act during the financial year under review.
18. The directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has issued and allotted 5,68,300 Equity Shares for the Consideration other than cash during the Financial Year under review. However, the Company had not allotted any other securities during the financial year under review.
20. The Company has not bought back any shares during the financial year under review.
21. The Company has not issued any preference shares / debentures and consequently there is no redemption of preference shares / debentures during the year under review.
22. There were no transactions necessitating the Company to keep in abeyance any corporate benefits of the members pending registration of transfer of shares.

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Andheri (East), Mumbai - 400069. Contact No: 09320242211

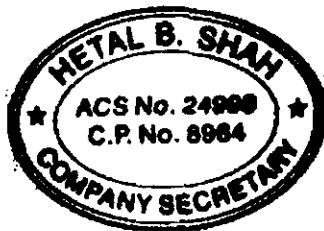


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Practicing Company Secretary
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23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of the provisions of Sections 58A and 58AA read with Companies (Acceptance of Deposit) Rules, 1975 during the financial year under review.
24. The Company has not borrowed any money exceeding limit provided under provisions of Section 293 (1) (d) of the Act, during the financial year ending 31st March, 2010.
25. The Company has not made any loans or advances or investments or given guarantees or provided securities to other bodies corporate attracting the Provisions of Section 372A of the Act.
26. The Company has not altered the provisions of the Memorandum of Association with respect to situation of the Company's registered office from one state to another during the financial year under review.
27. The Company has not altered the provisions of the Memorandum of Association with respect to the objects of the Company during the financial year under review.
28. The Company has not altered the provisions of the Memorandum of Association with respect to name of the Company during the financial year under review.
29. The Company has not altered the provisions of the Memorandum of Association with respect to share capital of the Company during the financial year under review.
30. The Company has not altered any provisions of its Articles of Association during the financial year under review.
31. As explained to us, there was no prosecution initiated against or show cause notices received by the Company for alleged offenses under the Act and no fines and penalties or any other punishment was imposed on the Company during the financial year under review.
32. The Company has not received any money as security from its employees during the financial year under review.
33. The Company has no outstanding amount to be deposited with prescribed authorities under the provisions of Section 418 of the Act.

Place: Mumbai

Date: 21.04.2010



Hetal B. Shah
21/4/10.
(HETAL B. SHAH)
Company Secretary
C.P.No: 8964

C/o. 211-B, Sona Udhyog, Parsi Panchayat Road (Extn. of Old Nagardas Road),
Andheri (East), Mumbai - 400069. Contact No: 09320242211

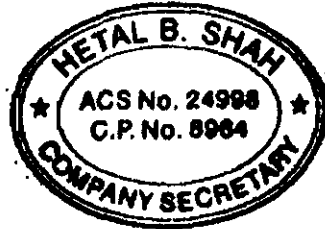
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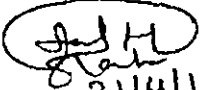
Annexure - A

Sr. No.	Registers maintained by the Company	Under Section
1.	Register of Members	150
2.	Minutes Books of proceedings of: 1. Meetings of the Board of Directors. 2. General Meetings	193
3.	Register of contracts, companies and firms in which directors are interested	301
4.	Register of Directors, Managers and Secretary	303
5.	Register of Directors' Shareholdings	307
6.	Register of Share Application and Allotment	voluntary

Place: Mumbai

Date: 21.04.2010




21/4/10.
(HETAL B. SHAH)
Company Secretary
C.P.No: 8964

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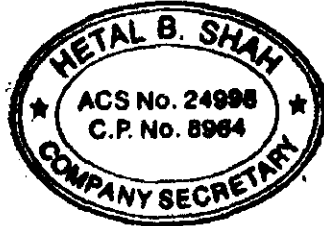
HETAL B. SHAH
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Annexure - B

Sr. No.	Form No.	Section	Purpose	Date of Filing & SRN
1.	Form 2 (Dtd: 30.03.2009)	75(2)	Allotment of 1,00,000 Equity Shares	A60173283 20.04.2009
2.	Form 23 (Dtd: 30.03.2009)	81(1A)	Preferential Allotment of 88,300 Equity Shares	A60892189 29.04.2009
	Form 67	Rule 20A(3)	Addendum for further information	26.05.2009
3.	Form 66 (Compliance Cert) (Dtd.: 31.03.2009)	383A	As required under Companies (Compliance Certificate) Rules, 2001.	P33047804 30.06.2009
4.	Form 23AC / 23ACA (Annual Accounts) (Dtd.: 31.03.2009)	210	As per requirement of the Act	P33069634 01.07.2009
5.	Form 20B (Annual Return) (Dtd.: 03.06.2009)	159	As per requirement of the Act	P33545732 03.06.2009
6.	Form 32 (Dtd: 03.06.2009)	303(2)	Re-Appointment of Mrs. Shobana Kamineni & Mr. Veera Raghava Rao Yariagadda at Annual General Meeting	A67728253 21.08.2009

Place: Mumbai

Date: 21.04.2010



AJH
Shah
21/4/10
(HETAL B. SHAH)
Company Secretary
C.P.No: 8964

C/o. 211-B, Sona Udhyog, Parsi Panchayat Road (Extn. of Old Nagardas Road),
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HETAL B. SHAH
Practicing Company Secretary
B.Com, ACS

COMPLIANCE CERTIFICATE
(Under Section 383A (1) of the Companies Act, 1956)

The Members,
APOLLO LAVASA HEALTH CORPORATION LIMITED
Mumbai.

I have examined the necessary registers, records, books and papers of **APOLLO LAVASA HEALTH CORPORATION LIMITED** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the year ended on 31st March, 2010. In my opinion and to the best of my information and according to the examinations carried out by me and the explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure "A" to this certificate, as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. Save and except filing of Form 2 and 23 for preferential Allotment made during the year, the Company has duly filed the forms and returns as stated in Annexure "B" to this certificate with the Registrar of Companies, Maharashtra, Mumbai or such other authorities, with additional filing fees, in case of delay. The Company was not required to file any forms and returns with the Regional Director, Central Government, Company Law Board or other authorities.
3. The status of the Company, being Public Limited Company, comments are not required.
4. The Board of Directors duly met 6 (Six) times on 15.04.2009, 15.07.2009, 14.10.2009, 13.01.2010 and 31.03.2010 (11.00 A.M & 5.30 P.M) respectively, in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company was not required to close its Register of Members or Debenture holders during the financial year under review.
6. The Annual General Meeting for the financial year ended 31st March, 2009 was held on 3rd June, 2009 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. One Extra Ordinary General Meeting was held on 31.03.2010 after obtaining Shorter Notice Consent from the members, during the financial year under review and the minutes thereof were duly recorded in the minutes book maintained for the purpose.
8. The Company has not advanced any loans to its directors and / or persons or firms or Companies referred to in the Section 295 of the Act, during the year under review.
9. The Company has not entered into any contract attracting the provisions of Section 297 of the Act in respect of contracts specified in that section.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.

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21/4/10.

C/o. 211-B, Sona Udhyog, Parsi Panchayat Road (Extn. of Old Nandiv Road),
Andheri (East), Mumbai - 400069. Contact No: 09320242211



Auditors' Report

To the Members of
Apollo Lavasa Health Corporation Limited

Report on the Accounts for the year ended March 31, 2010 in compliance with Section 227(2) of the Companies Act, 1956.

1. We have audited the attached Balance Sheet of APOLLO LAVASA HEALTH CORPORATION LIMITED, as at March 31, 2010, and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) ('the Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - a) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the 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 appears from our examination of the books;
 - c) the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;

- d) in our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- e) on the basis of the written representations received from the directors, as on March 31, 2010, and taken on record by the Board of Directors, we report that none of the directors of the Company is disqualified as on March 31, 2010 from being appointed as a director, in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
- f) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2010;
 - ii) in the case of the Profit and Loss Account, of the loss of the Company for the year ended on that date; and
 - iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For K. S. Aiyar & Co,
Chartered Accountants
Registration No: 100186W

Sd/-

Place: Mumbai
Date: April 21, 2010

Raghuvir M. Aiyar
Partner
Membership No.: 38128

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of our Report of even date on the Accounts for the year ended on March 31, 2010, of Apoilo Lavasa Health Corporation Limited)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets
- (b) A substantial portion of the fixed assets have been physically verified by the management during the year. In our opinion the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) No fixed assets are disposed off during the year. Accordingly there is no effect on the going concern status of the Company.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the records of inventory, we are of the opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) (a) As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, sub-clause (b), (c) and (d) are not applicable.
- (b) As informed, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, sub-clause (f) and (g) are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of fixed assets. During the course of our audit, no major weakness has been noticed in the internal control system in respect of this area.
- (v) (a) Based upon the audit procedures performed and according to the information and

explanations given to us, there are no contracts or arrangements that need to be entered into the register maintained in pursuance of section 301 of the Companies Act, 1956. Accordingly, sub-clause (b) is not applicable

- (vi) The Company has not accepted any deposits from the public to which the provisions of section 58A, 58AA, or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposit) Rules 1975 apply.
- (vii) The Company does not have paid-up capital and reserves exceeding Rs. 50 lakhs as at the commencement of the financial year, and hence the directions in respect of internal audit are not applicable to the Company.
- (viii) We have been informed that the Company is not required to maintain cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956, which has been relied upon.
- (ix) (a) According to the records of the Company, Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Custom duty, Excise duty, cess and other material statutory dues applicable to it have been generally regularly deposited during the year with the appropriate authorities.
- According to the information and explanations given to us, there are no undisputed dues in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other statutory dues which were outstanding, at the year end for a period of more than six months from the date they became payable.
- (b) According to the records of the Company, there are no dues of Income tax, Sales tax, Wealth tax, Service tax, Custom duty, Excise duty and cess which have not been deposited on account of any dispute.
- (x) The Company has been registered for a period of less than five years hence clause (4) (x) of Companies (Auditor's Report) Order, 2003 is not applicable.
- (xi) According to the information and explanations given to us, the Company has not taken any money from any financial institution, bank or debenture holder, and hence clause 4(xi) is not applicable to the Company.
- (xii) Based on our examination of the records and the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of the Order are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given guarantee for loans taken by others from bank or financial institutions.
- (xvi) The Company has not raised any term loans during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis aggregating to Rs. 869.44 Lakhs have been utilised for long-term investment in fixed assets and capital work-in-progress.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) According to the information and explanations given to us, no debentures were issued during the year.
- (xx) The Company has not raised any money by way of public issue during the year. Therefore, the provision of clause (xx) of the order is not applicable to the Company.
- (xxi) According to the information and explanations furnished by the management, which have been relied upon by us, there were no frauds on or by the Company noticed or reported during the course of our audit.

For K. S. Aiyar & Co,
Chartered Accountants
Registration No: 100186W

Sd/-

Raghuvir M. Aiyar
Partner
Membership No.: 38128

Place: Mumbai
Date: April 21, 2010

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APOLLO LAVASA HEALTH CORPORATION LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2010

(Rs. in Lakhs)

Particulars	Schedule	31 st March 2010	31st March 2009
SOURCES OF FUNDS			
Share Capital	A	73.83	15.00
Share Application Money		600.00	-
Reserves & Surplus	B	6,814.17	1,007.35
Total Shareholders' Funds		7,488.00	1,022.35
Loan Funds			
(a) Unsecured Loans	C	512.29	-
Total Loans		512.29	-
Deferred Tax Liability (Net)		21.96	-
TOTAL		8,022.25	1,022.35
APPLICATION OF FUNDS			
Fixed Assets	D		
(a) Gross Block		7,981.52	124.86
(b) Less : Depreciation / Amortization		25.24	0.12
(c) Net Block		7,956.28	124.74
(d) Items Awaiting Completion or Commissioning		271.86	449.59
Total Fixed Assets		8,228.14	574.32
Current Assets, Loans & Advances			
A) Current Assets	E		
(a) Sundry Debtors		0.05	-
(a) Cash and Bank Balances		17.30	450.29
B) Loans and Advances	F	4.63	32.29
Total Current Assets, Loans and Advances		21.98	482.59
Less: Current Liabilities & Provisions	G		
(a) Current Liabilities		378.78	34.56
(b) Provisions		0.34	-
Total Current Liabilities & Provisions		379.12	34.56
Net Current Assets		(357.15)	448.03
Profit & Loss Account		151.26	-
TOTAL		8,022.25	1,022.35

The annexed Notes (Schedule 'N') form an integral part of the accounts.

As per our report of even date

For K S Aiyar & Co.
Chartered Accountants
Registration No. 100186W

Sd/-
Raghuvir M Aiyar.
Partner
Membership No. 38128

For and on behalf of Board of Directors

Sd/-
Shobana Kamineni
Director

Sd/-
Rajgopal Nogja
Director

Sd/-
Vithal Kulkarni
Director

Sd/-
Raghava Rao
Director

Place : Mumbai
Date : 21st April 2010

Place : Mumbai
Date : 21st April 2010

APOLLO LAVASA HEALTH CORPORATION LIMITED

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

(Rs. in Lakhs)

Particulars	Schedule	31 st March 2010	31st March 2009
INCOME			
Income From Operations	H	0.95	-
Other Income	I	1.18	35.65
TOTAL		2.13	35.65
EXPENDITURE			
Materials Consumed	J	6.19	
Employee's Remuneration And Benefits	K	19.77	-
Administrative Expenses	L	69.07	1.59
Finance Charges	M	20.25	0.02
Depreciation		25.12	0.12
		140.40	1.73
Profit/(Loss) before Tax		(138.28)	33.92
Less: Provision for taxation:		-	-
Income Tax		-	11.58
Deferred Tax		21.96	-
Profit/(Loss) After Tax but before Prior period Items		(160.23)	22.35
Less : Prior Period Expenses		8.38	-
PROFIT / (LOSS) AFTER TAXATION & PRIOR PERIOD EXPENSES		(168.61)	22.35
Add: Balance brought forward from last year		17.35	(5.00)
Balance carried to Balance Sheet		(151.26)	17.35
Basic and Diluted earning per share (Rs.) + / (-)		(111.21)	14.90

The annexed Notes (Schedule 'N') form an integral part of the accounts.

As per our report of even date

For K S Aiyar & Co.
Chartered Accountants
Registration No. 100186W

sd/-
Raghuvir M Aiyar.
Partner
Membership No. 38128

For and on behalf of Board of Directors

sd/-
Shobana Kamineni
Director

sd/-
Rajgopal Nogja
Director

sd/-
Vithal Kulkarni
Director

sd/-
Raghava Rao
Director

Place : Mumbai
Date : 21st April 2010

Place : Mumbai
Date : 21st April 2010

Schedules forming part of Balance Sheet		
SCHEDULE 'A' :		
SHARE CAPITAL	(Rs. in Lakhs)	
	31 st March 2010	31st March 2009
AUTHORISED		
50,00,000 (Previous Year 50,00,000) Equity Shares of Rs. 10/- each	500.00	500.00
	<u>500.00</u>	<u>500.00</u>
ISSUED, SUBSCRIBED AND PAID UP		
Equity Share Capital		
7,38,300 (Previous Year 1,50,000) Equity Shares of Rs. 10/- each fully paid-up (Of the above 6,88,300 shares are held by Lavasa Corporation Limited and its nominees) (Of the above 6,00,000 shares are issued to Lavasa Corporation Limited for consideration other than cash)	73.83	15.00
Total	<u>73.83</u>	<u>15.00</u>
SCHEDULE 'B' :		
RESERVE & SURPLUS		
	(Rs. in Lakhs)	
	31 st March 2010	31st March 2009
Securities Premium		
Opening Balance	990.00	-
Add : During the period	5,824.17	-
Total	<u>6,814.17</u>	<u>990.00</u>
Profit & Loss Account	-	17.35
Total	<u>6,814.17</u>	<u>1,007.35</u>
SCHEDULE 'C' :		
UNSECURED LOANS		
	(Rs. in Lakhs)	
	31 st March 2009	31st March 2009
Inter Corporate Deposit from Lavasa Corporation Limited	486.89	-
Temporary Book Overdraft	25.40	-
Total	<u>512.29</u>	<u>-</u>

SCHEDULE 'H' :

(Rs. in Lakhs)

	31 st March 2010	31st March 2009
Income From Operations		
Out Patient	0.95	-
	<u>0.95</u>	<u>-</u>
SCHEDULE 'I' :		
Other Income		
Other Income	0.28	35.65
Exchange difference gain	0.89	-
	<u>1.18</u>	<u>35.65</u>
SCHEDULE 'J' :		
Materials Consumed		
Medical Consumables and Pharmacy Items:		
Opening Stock	-	-
Add: Purchases	6.19	-
Less: Closing Stock	-	-
	<u>6.19</u>	<u>-</u>
SCHEDULE 'K' :		
Employee's Remuneration And Benefits		
Salary and Wages	17.29	-
Contribution / Provisions to and for provident and other funds	0.74	-
Staff and Labour Welfare	1.74	-
	<u>19.77</u>	<u>-</u>
SCHEDULE 'L' :		
Administrative Expenses		
Office Expenses	16.02	0.87
Consultation Charges	44.68	0.16
Selling and Marketing Expenses	7.68	-
Auditor's remuneration	0.50	0.56
Exchange difference loss	0.19	-
	<u>69.07</u>	<u>1.59</u>
SCHEDULE 'M' :		
Finance Charges		
Interest	18.43	-
Others	1.82	0.02
	<u>20.25</u>	<u>0.02</u>

APOLLO LAVASA HEALTH CORPORATION LIMITED

Cash Flow Statement for the year ended March 31, 2010

(Rs. in Lakhs)

Particulars	31 st March 2010	31st March 2009
A. CASH FLOW FROM OPERATING ACTIVITIES		
- Net profit / (loss) before tax and Exceptional items	(138.28)	33.92
Adjustment for :		
- Depreciation	25.12	0.12
- Prior Period Expenses	(8.38)	-
Operating Cash Flow before working Capital changes	(121.53)	34.04
- (Increase) / Decrease in Loans and Advances	27.61	(32.36)
- Increase / (Decrease) in Current Liabilities and Provisions	403.40	22.77
NET CASH FLOW FROM OPERATING ACTIVITIES	309.48	24.45
B. CASH FLOW FROM INVESTING ACTIVITIES		
- (Purchase) / Sale of fixed assets	(7,678.93)	(457.45)
NET CASH FROM INVESTING ACTIVITIES	(7,678.93)	(457.45)
B. CASH FLOW FROM FINANCING ACTIVITIES		
- Issue of shares	-	10.00
- Share Application Money	600.00	(500.00)
- Proceeds from issuance of Share Capital	-	873.00
- Proceeds from / (Repayment of) short term Borrowings	512.29	(4.63)
NET CASH FROM FINANCING ACTIVITIES	6,936.46	378.37
Net increase / (decrease) in Cash and Cash Equivalents	(432.99)	(54.63)
Cash and Cash Equivalents at beginning of period	450.29	504.92
Cash and Cash Equivalents at end of year	17.30	450.29

As per our report of even date

For K S Aiyar & Co.
Chartered Accountants
Registration No. 100186W

Sd/-
Raghuvir M Aiyar.
Partner
Membership No. 38128

For and on behalf of Board of Directors

Sd/-
Shobana Kamineni
Director

Sd/-
Rajgopal Nogja
Director

Sd/-
Vithal Kulkarni
Director

Sd/-
Raghava Rao
Director

Place : Mumbai
Date : 21st April 2010

Place : Mumbai
Date : 21st April 2010

SCHEDULE 'N'

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS AS AT 31st March 2010.

1 The Company maintains its accounts on accrual basis following historical cost convention, in compliance with the Accounting Standards issued by the Institute of Chartered Accountants of India, relevant provisions of the Companies Act, 1956 and the Rules. Management makes estimates and technical and other assumptions regarding the amounts of income and expenses, assets and liabilities, and disclosure of contingencies, in accordance with Generally Accepted Accounting Principles in India in the preparation of the financial statements. Difference between the actual results and estimates are recognized in the period in which determined.

2 SIGNIFICANT ACCOUNTING POLICIES:

A) Fixed Assets

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

B) Depreciation and Amortization

Depreciation on Fixed Assets other than Intangible Assets has been provided on written down value method at the rates specified in Schedule XIV of the Companies Act, 1956 on pro-rata basis.

Cost of lease hold land is amortised on a straight line basis over the period of lease.

C) Inventories

The inventories of all medicines, medicare items are valued at cost.

Stock of provisions stores (including lab materials and other consumables) stationeries and housekeeping items are stated at cost.

D) Taxation

Tax on income for the current period is computed in accordance with the provisions of the Income Tax Act, 1961.

Deferred Tax Assets are not recognized unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

E) Revenue Recognition

Operating income is recognised as and when the services are rendered / pharmacy items are sold.

F) Foreign Currency Transactions

Foreign currency transactions during the year are accounted at the prevailing rate on the date of transaction. Current assets and current liabilities are translated at the exchange rate prevailing on the last day of the year. Gains or losses arising out of remittance/ translations at the yearend are credited/ debited to the profit and loss account for the year.

G) Employee Benefits

i) Defined Contribution Plans

Contribution to provident fund and superannuation fund is accounted on accrual basis

ii) Defined Benefit Plan

Gratuity is charged to revenue on the basis of actuarial valuation.

iii) Other benefits

Short term and long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.

H) Contingencies / Provisions

A provision is recognised when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are not provided for unless a reliable estimate of probable outflow to the Company exists as at the Balance Sheet date.

Contingent assets are neither recognised nor disclosed in the financial statements.

I) Earning Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to the equity shareholders (after deducting preference dividends and attributable taxes, if any) by the weighted average number of shares outstanding during the year. For the purpose of calculating diluted earning per share, net profit & loss for the year attributable to equity shareholders and weighted number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

J) Lease

Where the Company is the lessee and the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

3 Segmental Reporting

At present the Company is going to operate only in one significant business segment i.e. Hospital and Health care services, hence segment information as per Accounting Standard 17 is not required to be disclosed. The Company is going to cater mainly to the need of the domestic market, as such there is no reportable geographical segments.

4 Related Party Disclosure :

i) Particulars of Related Parties, which control or are under common control with the Company :

A) Parent Company and Fellow Subsidiaries	
1	Lavasa Corporation Limited
2	Lavasa Hotel Limited
3	Lakeshore Watersports Company Limited
4	Ecomotel Hotel Limited
5	Dasve Convention Center Limited
6	Dasve Business Hotel Limited
7	Lakeview Clubs Limited
8	Dasve Hospitality Institutes Limited
9	Dasve Retail Limited
10	Full Spectrum Adventure Limited
11	Warasgaon Lake View Hotels Limited
12	Lavasa Bambocrafts Limited
13	Knowledge Vistas Limited
14	Spotless Laundry Services Limited
15	Reasonable Housing Limited
16	My City Technology Limited
17	Minfur Interior Technologies Limited
18	Verzon Hospitality Limited
19	Rhapsody Hospitality Limited
20	Valley View Entertainment Limited
21	Andromeda Hotels Limited
22	Sirrah Palace Hotels Limited
23	Whistling Thrush Facilities Services Limited
24	Green Hills Residences Limited
25	Warasgaon Tourism Limited
26	Warasgaon Power Supply Limited
27	Sahyadri City Management Limited
28	Our Home Service Apartments Limited
29	Hill City Service Apartments Limited
B) Ultimate Holding Company and its Subsidiaries	
1	Hindustan Construction Company Limited
2	HCC Real Estate Limited (HREL)
3	Hincon Technoconsult Limited
4	Western Securities Limited
5	Pune Paud Toll Road Company Limited
6	Nirmal BOT Limited
7	HCC Singapore Enterprises PTE Limited
8	HCC Mauritius Enterprises PTE Limited
9	HCC Infrastructure Limited
10	HCC Aviation Limited
11	Badrapur Faridabad Tollways Limited
12	HCC Construction Limited
13	Highbar Technologies Limited
14	Baharampore-Farakka Highways Limited
15	Farakka-Raiganj Highways Limited
16	Raiganj-Dalkhola Highways Limited
17	HREL (Thane) Real Estate Limited
18	HREL Township Developers Limited
19	Panchkutir Developers Limited
20	Maan Township Developers Limited
21	Charosa Wineries Limited
22	Nashik Township Developers Limited
23	Powai Real Estate Developers Limited
24	HCC Realty Limited
C) Other Related Parties	
1	Bona Sera Hotels Limited
2	Palmetto Hospitality Limited
3	Vikhrol: Corporate Park (Firm)
4	Hincon Holdings Limited
5	Hincon Finance Limited
6	SOL Hospitality Limited

Nature of Transactions	Parent Company and Fellow Subsidiaries	
	31 March 2010	31 March 2009
Purchase of Fixed Assets		
Lavasa Corporation Limited	6,124.48	124.42
Inter corporate Deposit Received		
Lavasa Corporation Limited	1,215.34	814.59
Inter corporate Deposit Paid		
Lavasa Corporation Limited	726.45	814.59
Interest Paid on Inter corporate Deposit		
Lavasa Corporation Limited	54.64	0.81
Project and Other Services Received		
Lavasa Corporation Limited	124.58	232.56
Inter corporate Deposit Outstanding		
Lavasa Corporation Limited	486.89	-
Equity Share Capital		
Lavasa Corporation Limited	58.93	10.00

5 Earnings Per Share.

(Rs. in Lakhs)

Particulars	31 March 2010	31 March 2009
Profit/(Loss) after taxation as per Profit and Loss account in Rupees	(168.61)	22
Weighted average number of Equity shares outstanding.	151,612	50,274
Basic earnings per share (Weighted Average) in Rupees (face value- Rs 10 per share)	-111.21	44.45

6 Deferred Tax liability for the year ended 31st March 2010 has been provided on the estimated tax computation for the year

Major components of deferred tax assets and liabilities are :

Rs in Lakhs

	Current Year		Previous Year	
	Assets	Liabilities	Assets	Liabilities
Depreciation	-	22.05		
Carried Forward Tax losses	0.09	-		
Total	0.09	22.05	-	-

7 Operating Lease

- a) Future Lease Rental payments
 - (i) Not later than one year 2.88
 - (ii) Later than one year and not later than five years 11.72
 - (iii) Later than five years -
- b) Lease payment recognised during the year 0.67
- c) General description of the leasing arrangement:
 - i) Leased Assets : Residential Apartments
 - ii) Future lease rental payments are determined on the basis of lease payable as per the agreement

8 Contingent Liabilities & Capital Commitment Not Provided For

- a) Contingent Liabilities: Nil (Previous year Rs Nil)
- b) Estimated amount of contracts remaining to be executed on Capital account and not provided for (net of advances)- Rs. 53.76 Lakhs (Previous year Rs Nil)

9 Details of Foreign Currency Expenditure

Sr No	Particulars	31 March 2010	31 March 2009
1	Medical Equipment	52.34	9.76

10 Employee Benefits

a) Defined Benefit Plans / Long Term Compensated Absences - As per Actuarial Valuation on September 30,

Sr. No	Particulars	Leave Encashment	
		Unfunded	
		Rs. Lakhs	
		31.02.2010	31.03.09
I	Expenses recognized in the Statement of Profit		
1	Current Service Cost	0.34	-
2	Interest Cost	-	-
3	Expected return on plan assets	-	-
4	Net Actuarial (Gains) / Losses	-	-
5	Past Service Cost	-	-
6	Settlement Cost	-	-
7	Total Expense	0.34	-
II	Net Asset / (Liability) recognized in the Balance		
1	Present value of Defined Benefit Obligation as	0.34	-
2	Fair value of plan assets as at March 31st, 2009	-	-
3	Net Asset / (Liability) as at March 31st, 2009	(0.34)	-
IV	Actuarial Assumptions:		
1	Discounted Rate	8% p.a.	
2	Mortality Table	LIC (1994-96)	

Accounts recognized as an expense/(income) and included in the Schedule L.

b) Defined Contribution Plans-

Amount recognized as an expenses and included in the schedule J - contribution/ provision to and for provident and other funds* of Profit and Loss account- 0.74 Lacs (Previous Year Rs. Nil)

11 Disclosure required by Micro, Small and Medium Enterprises (Development) Act, 2006

As per requirement of Section of 22 of Micro, Small & Medium Enterprises Development Act, 2006 following information is disclosed:

S.No	Particulars	31 March 2010	31 March 2009
		Rs.	Rs.
(i)	Principal amount remaining unpaid to any supplier as at the end of each accounting year.	Nil	Nil
(ii)	Interest due on (i) above remaining unpaid	Nil	Nil
(iii)	Amounts paid beyond the appointed day during the accounting year	Nil	Nil
(iv)	Interest paid on (iii) above	Nil	Nil
(v)	Interest due and payable on (iii) above	Nil	Nil
(vi)	Interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil
(vii)	Interest remaining unpaid of the previous years for the purpose of disallowance under the Income Tax Act, 1961	Nil	Nil

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors

12 Auditors Remuneration

Sr. No.	Particulars	31 March 2010	31 March 2009
1	Audit Fees	0.30	0.30
2	Review and Certification Fees	0.15	0.30
3	Service Tax	0.05	0.06


13 Additional Information Pursuant To The Provisions Of Paragraph 3 & 4 Of Part II Of Schedule VI To The Companies Act, 1956. This is not applicable since the Company has yet to start its commercial operations.


14 Previous year figures have been regrouped / re-classified wherever necessary.


As per our Report of even date

For and on behalf of the Board of Directors


For K. S. Aiyar & Co.
Chartered Accountants
Registration No : 100186W


Shobana Kamineni
Director


Raghuvir M. Aiyar
Partner
Membership No. 38128


Rajgopal Nogue
Director


Vithal Kulkarni
Director


Raghava Rao
Director

Place : Mumbai
Date : 21 April 2010

Place : Mumbai
Date : 21 April 2010

APOLLO LAVASA HEALTH CORPORATION LIMITED

Balance Sheet Abstract and Company's General Business Profile

I REGISTRATION DETAILS

Registration No.

State Code

Balance Sheet Date

II CAPITAL RAISED DURING THE YEAR (AMOUNT IN RS. THOUSAND)

Public Issue (Issue through the prospectus)

Right Issue

Bonus Issue

Private Placement (Allotted to Holding Company)

III POSITION OF MOBILISATION AND EMPLOYMENT OF FUNDS (AMOUNT IN RS. THOUSAND)

TOTAL LIABILITY

TOTAL ASSETS

SOURCES OF FUNDS

PAID-UP CAPITAL (Including share application money)

RESERVES & SURPLUS

SECURED LOAN

UNSECURED LOAN

DEFERRED TAX LIABILITIES (Net)

APPLICATION OF FUNDS

NET FIXED ASSETS

INVESTMENTS

DEFERRED TAX ASSETS (Net)

NET CURRENT ASSETS

MISC. EXPENDITURE

ACCUMULATED LOSSES

IV PERFORMANCE OF COMPANY (AMOUNT IN RS. THOUSAND)

TURN OVER

TOTAL EXPENDITURE

PROFIT / (LOSS) BEFORE TAX

PROFIT / (LOSS) AFTER TAX

EARNING PER SHARE Rs.

DIVIDEND RATE

V GENERIC NAME OF PRINCIPAL PRODUCT OF COMPANY (As per Monetary Terms)

Item code (ITC Code)

Product Description

APOLLO LAVASA HEALTH CORPORATION LIMITED

Registered Office: Hincon House, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai 400083.

Attendance Slip

Please complete this Attendance Slip and hand it over at the entrance of the Meeting Hall.

Shares held _____

Regd. Folio No: _____

(Name in BLOCK letters) _____

I/We hereby record my/our presence at the Third Annual General Meeting of the Company at Hincon House, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai - 400083 on Wednesday, June 2, 2010 at 2.00 p.m.

Member's/Proxy's Signature

Note: Members/Proxy holders are requested to bring their copy of the Annual Report with them at the Meeting.

APOLLO LAVASA HEALTH CORPORATION LIMITED

Registered Office: Hincon House, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai 400083.

Proxy Form

Shares held _____

Regd. Folio No: _____

(Name in BLOCK letters) _____

I/We _____ of _____ in
the district of _____ being a Member / Members of the above
name Company, hereby appoint _____ of _____
in the district of _____ or failing him/her
_____ of _____ in the
district of _____ as my/our proxy to attend and vote for me/us and
on my/our behalf at the Third Annual General Meeting of the Company to be held on
Wednesday, June 2, 2010 at 2:00 p.m. or at any adjournment/s thereof.

Signed this _____ day of _____ 2010.

Signature _____

Affix Rs.1 Revenue Stamp

Note: The proxy to be effective should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.