

COMPANY ANALYSIS ON APOLLO HOSPITALS

Company Analysis Report in partial fulfillment of the requirements for the
award of the Degree of

BACHELOR OF COMMERCE

of

DAVANGERE UNIVERSITY



By

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CHANDRAVALLI, CHITRADURGA-577501

DAVANGERE UNIVERSITY

2023-24



Davangere University

DEPARTMENT OF COMMERCE

S.J.M. COLLEGE OF ARTS, SCIENCE AND COMMERCE

Chandravalli, Chitradurga-577501

DECLARATION

I hereby declare that the company analysis report entitled **“APOLLO HOSPITALS”** submitted to the Department of Commerce, Davangere University, Davangere is a record of an original work done by me under the guidance of *Mr. MOHAN KUMAR .M*, Lecturer of Commerce, Associated with the Davangere University and this Company Analysis Report is submitted in the partial fulfillment for the award of **Bachelor Degree in Commerce** by Davangere University.

I also declare that, this Report is the outcome of my own efforts and that it has not been submitted to any other university or institute for the award of any Degree or Diploma or Certificate.

Place: Chitradurga

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Chandravalli, Chitradurga-577501

CERTIFICATE OF ORIGINALITY

Date:

This is to certify that the company analysis report titled **“APOLLO HOSPITALS”** is an original work of **Ms. SUMATHI .S.J;** bearing University Register Number *U13SJ21C0088* and is being submitted in partial fulfillment for the award of the Bachelor Degree in Commerce of Davangere University. The report has not been submitted earlier either to this university/ Institution for the fulfillment of the requirement of a course of study.

Signature of the Guide

Date:

Signature of the HOD

Date:

CONTENTS

SL NO.	TITLE	Page No.
01.	Introduction	01-14
02.	Financial and Market Analysis	15-27
03.	Management and Leadership	28-44
04.	SWOT Analysis	45-48
05.	Findings, Conclusion and Suggestions	49-50
06.	Annexure ➤ Bibliography	51

LIST OF TABLES

Table No.	TITLE	Page No.
1.1	About Apollo Hospitals Enterprise Limited	03-04
2.1	Balance Sheet of Apollo Hospitals	16-17
2.2	Profit and Loss Account	18
2.3	Current Ratio	20
2.4	Quick Ratio	21
2.5	Debt-Equity Ratio	22
2.6	Proprietary Ratio	24
2.7	Return on Capital Employed Ratio	25
2.8	Net Profit Ratio	26
2.9	Total Asset Turnover Ratio	27

LIST OF GRAPHS

Table No.	TITLE	Page No.
2.1	Current Ratio	20
2.2	Quick Ratio	22
2.3	Debt-Equity Ratio	23
2.4	Proprietary Ratio	24
2.5	Return on Capital Employed Ratio	25
2.6	Net Profit Ratio	26
2.7	Total Asset Turnover Ratio	27

CHAPTER-1

INTRODUCTION

1.1 Introduction

Apollo Hospitals Enterprise Limited is an Indian multinational healthcare group headquartered in Chennai. It is the largest hospital chain in India, with a network of 71 owned and managed hospitals. Along with the eponymous hospital chain, the company also operates pharmacies, primary care and diagnostic centres, telehealth clinics, and digital healthcare services among others through its subsidiaries

The company was founded by Prathap C. Reddy in 1983 as the first corporate healthcare provider in India. Several of Apollo's hospitals have been among the first in India to receive international healthcare accreditation by the America-based Joint Commission International (JCI) as well as NABH accreditation.

It is often said that nothing happens, unless there is a dream first. At the genesis of the Apollo story there was a dream. A dream so powerful, that it helped transform the medical landscape in India. The dream nurtured and grew within Dr. Prathap C Reddy, the founder Chairman of Apollo Hospitals, until the point of inflection happened in 1983 . A young man succumbing to an ailing heart was what it took to ignite Dr. Reddy's vision into a reality - a vision where quality healthcare was given, where the pursuit of clinical excellence was daily endeavor, India a hub in the medical tourism map and where the Apollo family touches and enriches lives every minute, every day.

Apollo Hospitals started as a 150 bed hospital in Chennai in 1983. And it has to be said, amidst much scepticism. India in the early 80's was not the easiest place for private enterprise. Moreover private healthcare institutions were unknown and they were not doing cutting edge work. 25 years later it is an amazing story of success, achievement and most importantly, dreams realized.

As Apollo Hospitals has made colossal strides to reach where it is, more and more facets of the founding vision have turned to reality. Today Apollo Hospitals is not just one of the country's premier healthcare providers but has also played a pioneering role in helping India become a center-of-excellence in global healthcare.

The Apollo Hospitals group today includes over 8500 beds across 50 hospitals in India and overseas, neighbourhood diagnostic clinics, an extensive chain of Apollo Pharmacies, medical BPO and health insurance services and clinical research divisions that are working on the cutting edge of medical science.

However the largest achievement of the Apollo Group has been to take quality healthcare to across the length and breadth of India. Of touching 10 million lives and giving hope to an entire segment of the Indian population who did not have an option beyond limited medical infrastructure.

Apollo has succeeded in being more than just a quality healthcare provider. It has been a major player in scripting the medical landscape of the nation. This is primarily because the group has continuously been at the helm of several game-changing innovations in Indian healthcare.

By the start of the new millennium, Apollo Hospitals Group had become an integrated healthcare organization with owned and managed hospitals, diagnostic clinics, dispensing pharmacies and consultancy services. In addition, the group's service offerings include healthcare at the patient's doorstep, clinical & diagnostic services, medical business process outsourcing, third party administration services and health insurance. To enhance performance and service to customers, the company also makes available the services to support the business of healthcare; telemedicine services, education and training programmes & research services and a host of not-for-profit projects.

Apollo Hospitals, India With over 8500 beds across 50 hospitals in India and overseas, neighborhood diagnostic clinics, an extensive chain of Apollo Pharmacies, medical BPO as well as health insurance services and clinical research divisions working on the cutting edge of


medical science, Apollo Hospitals is a healthcare powerhouse you can trust with your life. At Apollo Hospitals, India, we unite exceptional clinical success rates and superior technology with centuries-old traditions of Eastern care and warmth, as we truly believe the world is our extended family-something our 16 million patients from 55 countries can warmly affirm.

Apollo Hospitals is the largest healthcare group in Asia. Apollo group owns and manages 41 hospitals in and around India and has a total capacity of 7000 beds. Apollo Hospitals was founded by Dr. Prathap C Reddy in 1979 and is the first group of hospitals that pioneered the concept of corporate healthcare delivery in India. Apollo Hospitals Enterprise Limited (AHEL), the flagship company of the group, is a listed Company on the Bombay Stock Exchange.

Today, AHEL is the leading private sector healthcare provider in India and owns and manages a network of speciality hospitals and clinics. The company also operates a chain of pharmacy retail outlets across the country, and provides consultancy services for commissioning and managing hospitals. The consultancy division of Apollo Hospitals offers project and operations management consultancy services to clients that vary from conceptualization to commissioning of a wide range of healthcare models.

Table No. 1.1

About Apollo Hospitals Enterprise Limited

Apollo Hospitals Enterprise Limited	
	
Trade name	Apollo Hospitals
Type	Public
Traded as	<ul style="list-style-type: none"> • BSE: 508869 • NSE: APOLLOHOSP

	<ul style="list-style-type: none"> • NSE NIFTY 50 Constituent
ISIN	INE437A01024
Industry	Healthcare
Founded	18 September 1983; 40 years ago
Founders	
Headquarters	Chennai, Tamil Nadu, India
Areas served	South Asia, Middle East
Key people	<ul style="list-style-type: none"> • Prathap C. Reddy (Chairman) • Preetha Reddy (Executive Vice Chairperson) • Shobana Kamineni (Executive Vice Chairperson) • Suneeta Reddy (Managing Director) • Sangita Reddy (Joint Managing Director)
Products	Hospitals, pharmacy, diagnostic centres, home care
Number of employees	62,939 (2020)
Website	www.apollohospitals.com

1.2 History

Apollo Hospitals was founded by Prathap C. Reddy in 1983 as the first corporate health care in India. The first branch at Chennai was inaugurated by the then President of India Zail Singh.

Apollo developed telemedicine services, after starting a pilot project in 2000 at Aragonda, Prathap Reddy's home village.

In 2006, Apollo exited its hospital in Colombo called Apollo Hospital Sri Lanka by selling its stake to Sri Lanka Insurance.

In 2007, Apollo Hospitals and DKV AG established a 74:26 joint venture health insurance company called Apollo DKV Insurance Co. The company was rebranded as Apollo Munich Health Insurance in 2009.

In December 2012, Apollo Hospitals sold its 38% stake in Apollo Health Street, the group's healthcare business process outsourcing division, to Sutherland Global Services for ₹225 crore (US\$42.11 million).

In 2014, Apollo Hospitals acquired Hetero Med Solutions, a South Indian pharmacy chain with 320 stores, from Hetero Group for ₹146 crore (US\$23.92 million) in a slump sale. The stores were rebranded as Apollo Pharmacy.

In October 2015, Apollo launched home care services under Apollo HomeCare and its digital healthcare platform called Ask Apollo. Apollo signed an MoU with Health Education England in April 2017 to provide a large number of doctors to fill vacancies in the English National Health Service.

In January 2019, Apollo opened Apollo Proton Cancer Centre in Chennai, which is reportedly the first proton therapy facility across South Asia, Southeast Asia and the Middle East.

In 2020, Apollo Hospitals sold its 50.80% percent majority stake in Apollo Munich Health Insurance to HDFC for ₹1,495 crore (US\$201.76 million). Later that year, it acquired IHH Healthcare's 50% joint venture stake in Apollo Gleneagles Hospital in Kolkata for ₹410 crore (US\$55.33 million).

In March 2022, Apollo Hospitals got included in Nifty 50 benchmark index, replacing Indian Oil, to become the first hospital company to be included on the index.

Subsidiaries

Apollo HealthCo

Apollo HealthCo was formed in 2021 with the merger of the group's non-hospital pharmacy chain Apollo Pharmacy and its digital healthcare business known as Apollo 24/7.

- Apollo Pharmacy – Apollo Pharmacy is the largest retail pharmacy chain in India with more than 5,000 stores in over 21 states. It was started in 1987.

- Apollo 24/7 – Apollo 24/7 is the digital healthcare platform of the group which was launched in 2020. It offers telehealth consultation, online medicine ordering and delivery, and in-home diagnostics among other services.

Apollo Health and Lifestyle

Apollo Health and Lifestyle is the primary and secondary care arm of the group which operates multi-specialty clinics under Apollo Clinics, diagnostics and pathology labs under Apollo Diagnostics, diabetes clinics under Apollo Sugar, dental hospitals under Apollo White, dialysis centres under Apollo Dialysis, minimally invasive surgical hospitals under Apollo Spectra, women/children hospitals under Apollo Cradle, and fertility clinics under Apollo Fertility. It has partner up with ReLiva Physiotherapy and Rehab for providing service to patients in physical therapy.

Apollo Sugar Limited

The chain of clinics was founded in 2014 to create preventive healthcare and reduce the incidence of complications of diabetes. Apollo Sugar Clinics collaborates with Sanofi India which manufactures many prescription medications for both type 1 and type 2 diabetes. In January 2018, Apollo Sugar Clinics entered into a partnership with Israeli company GlucoMe, a maker of wireless blood glucose meters that can transfer blood glucose data to a medical care team.

Apollo TeleHealth Services

Apollo TeleHealth Services owns the telehealth network of the group, operating via a business-to-consumer model under which it offers direct services like online consultations, appointment booking, medicine delivery, among others; a business-to-business offering to corporates for their employees; and a business-to-government agreement providing telehealth services in partnership with public health systems. Established in 1999, it is headquartered in Hyderabad and has more than 100 franchised teleclinics.

Research and education divisions

- Apollo Research and Innovations is a research arm of the group which is involved in clinical trials of drugs, medical devices, healthcare software and consumer products. It was established in 2000 and has 17 centres at hospital locations.
- Apollo Hospitals Education & Research Foundation is a non-profit which conducts research projects in liquid biopsy, molecular diagnostics, pharmacogenomics and exosome technologies at its wet lab run by the Cell and Molecular Biology Research Centre (CMBRC).
- Apollo Medskills is a private-public partnership between Apollo Hospitals and National Skill Development Corporation started in 2012 for the development of medical skills of healthcare workforce through 40+ training institutes across the country.

1.3 Nature of Business

Apollo Pharmacy Pvt Ltd operates as a pharmaceutical company. The Company offers vitamins, supplements, baby and personal care, health foods. and other related products. Apollo Pharmacy serves customers worldwide.

1.4 Vision

Hospitals is the largest healthcare group in Asia. Apollo group owns and manages 41 hospitals in and around India and has a total capacity of 7000 beds. Apollo Hospitals was founded by Dr. Prathap C Reddy in 1979 and is the first group of hospitals that pioneered the concept of corporate healthcare delivery in India. Apollo Hospitals Enterprise Limited (AHEL), the flagship company of the group, is a listed Company on the Bombay Stock Exchange.

Today, AHEL is the leading private sector healthcare provider in India and owns and manages a network of speciality hospitals and clinics. The company also operates a chain of pharmacy retail outlets across the country, and provides consultancy services for commissioning and managing hospitals. The consultancy division of Apollo Hospitals offers project and operations management consultancy services to clients that vary from conceptualization to commissioning of a wide range of healthcare models

1.5 Mission

Our mission is to bring healthcare of International standards within the reach of every individual. We are committed to the achievement and maintenance of excellence in education, research and healthcare for the benefit of humanity.

1.6 Objective

- Providing customers with 24/7 access to genuine lifesaving and over-the-counter (OTC) drugs.

1.7 Area of Operation

Apollo Hospitals

Apollo Hospitals Enterprise Limited has over 8500 beds across 50 hospitals in India, rest of Asia and Africa. The hospitals are multi specialty tertiary care facilities with centres-of-excellence in medical disciplines including cardiology, cardio-thoracic surgery, gastroenterology, orthopedics & joint replacement surgery, neurology, critical care medicine, nephrology, oncology, hand & micro surgery and reproductive medicine.

Apollo Global Projects Consultancy

Apollo offers project and operations management consultancy services with the support of operational and functional specialists. The pre & post commissioning consultancy services include feasibility studies, strategic planning, infrastructure consultation, human resource recruitment, training and medical equipment consultancy, management contracts, establishment of medical and administrative protocols etc.

Apollo Health and Lifestyle Limited

Apollo Health and Lifestyle Limited, has established over 100 Apollo Clinics across the country, is an integrated model and offers facilities for specialist consultations, diagnostics, preventive health checks and 24-hour Pharmacy, all under one roof.

Apollo Pharmacy

Apollo Pharmacy is India's first and largest branded pharmacy network; with over 750 retail outlets in key locations across the country. The group adds one pharmacy every 23 hours.

Apollo Hospitals Education and Research Foundation

AHERF was set up to establish, maintain and support educational institutions in promoting medical, paramedical and hospital management courses. The Institute offers over 18 post graduate teaching programmes, including ones certified by the Royal College of Edinburgh. MedVarsity Online Limited is backed by two giants; Apollo in medicine and NIIT Limited in the field of electronic-education. MedVarsity has developed in-house, over 1500 hours of medical content that is accessible to the medical community, anytime and anywhere. The research division currently undertakes diverse projects from clinical trials in multiple locations to molecular biology, stem cell transplants, epidemiological studies, and in the future identification of genetic Biomarkers.

Apollo Telemedicine Networking Foundation

In 1999, Apollo launched its first model Telemedicine Unit at Aragonda village in the Chittoor district. Since then, Apollo has witnessed a steady growth in terms of delivering quality healthcare and reaching out to the masses. Telemedicine is a potent means of harnessing telecommunication technology to deliver healthcare and education to patients in regions that are geographically less accessible. It also saves time and the cost of travel to access quality care. Apollo has pioneered the concept of telemedicine in India and Asia, and has over 100 telemedicine centres in India and overseas.

Apollo Insurance Company Limited

Apollo DKV is a joint venture of the Apollo Hospitals Group and DKV AG, Europe's largest private health insurer and a Munich Re Group company. The company offers innovative health insurance, wellness solutions and disease management to meet customer needs.

Apollo Wellness Plus

Apollo Hospitals launched the first Wellness Centre at Apollo Hospitals Chennai in Feb 2005. Wellness Plus is the perfect blend of modern and complementary medicine like aromatherapy, pranic healing, yoga, and meditation that fits the modern lifestyle.

Apollo Reach Hospitals

An endeavor to bring world class healthcare to semiurban and rural India - every Apollo Reach Hospitals will be a specialty hospital, designed to complement existing private and public healthcare facilities in the proposed towns and villages. Construction of hospitals, procurement of land and identification of cities are underway to set up the first phase of 25 Apollo Reach Hospitals over the next two years across India. With an initial bed strength of 100 - 150 beds, each Apollo Reach Hospital can be ramped up to a 200 bedded specialty hospital.

1.8 Competitors

The closest competitor to apollopharmacy.in are netmeds.com, medplusmart.com and 1mg.com. To understand more about apollopharmacy.in and its competitors, sign up for a free account to explore Semrush's Traffic Analytics and Market Explorer tools.

List of apollopharmacy.in competitors in November 2023:

- netmeds.com , with 8.99M visits, 78 authority score, 69.36% bounce rate
- medplusmart.com , with 2.04M visits, 72 authority score, 78.93% bounce rate
- 1mg.com , with 40.52M visits, 95 authority score, 76.0% bounce rate
- pharameasy.in , with 12.55M visits, 86 authority score, 82.77% bounce rate
- truemeds.in , with 1.45M visits, 46 authority score, 78.47% bounce rate
- myupchar.com , with 5.74M visits, 68 authority score, 80.35% bounce rate

1.9 Awards and Recognitions

Honorary Doctorate of Science (Honoris Causa)

Year

Ms. Shobana Kamineni

Vice Chairperson was conferred an Honorary Doctorate of Science (Honoris 2023 Causa) by the BML Munjal University (BMU). This honour was bestowed for her

entrepreneurial acumen, transformative leadership, and significant contributions to healthcare innovation and women's empowerment.

Honorary Doctorate in Business Management **Year**

Ms. Suneeta Reddy

Managing Director, Apollo Hospitals Enterprise Limited was conferred with an Honorary Doctorate in Business Management by the Board of Governors of the 2023 prestigious Xavier Institute of Management University, Bhubaneswar (XIM-B) for her outstanding contributions to the field of business management and healthcare.

Honorary Doctorate Degree **Year**

Dr. Prathap C Reddy

Founder and Chairman, Apollo Hospitals Group was conferred with the Honorary 2022 Doctorate Degree from the prestigious Amity University.

Sir Jehangir Ghandy Medal **Year**

Dr. Preetha Reddy

Vice Chairperson, Apollo Hospitals Enterprise Limited was conferred with the Sir 2022 Jehangir Ghandy Medal for Industrial and Social Peace by XLRI India, for her exemplary service in advancing healthcare.

Women in Excellence Healthcare Award **Year**

Dr. Sangita Reddy

Joint Managing Director, Apollo Hospitals Enterprise Limited was conferred with 2022 the Women in Excellence Healthcare Award by the prestigious Federation of Indian Chambers of Commerce and Industry (FICCI).

Champion of Humanity Award **Year**

Dr. Prathap C Reddy

Founder and Chairman, Apollo Hospitals Group was presented with the Champion 2021 of Humanity Award by Hindustan Chamber of Commerce.

Honorific Geras **Year**

Dr. Prathap C Reddy

Founder and Chairman, Apollo Hospitals Group has been honoured with the title 2021

Honorific Geras by Geriatric Society of India.

The Economic Times Businesswoman of the Year Award **Year**

Ms. Preetha Reddy

Vice Chairperson, Apollo Hospitals Enterprise Limited was conferred with the Economic Times Businesswoman of the Year award in recognition of Apollo Hospitals delivering outstanding medical care during the COVID-19 outbreak. 2021

The Economic Times Businesswoman of the Year Award **Year**

Ms. Suneeta Reddy

Managing Director, Apollo Hospitals Enterprise Limited was conferred with the Economic Times Businesswoman of the Year award in recognition of Apollo Hospitals delivering outstanding medical care during the COVID-19 outbreak. 2020

Healthcare Personality of the Year Award **Year**

Ms. Preetha Reddy

Vice Chairperson, Apollo Hospitals Enterprise Limited was conferred with the 'Healthcare Personality of the Year Award' by FICCI Healthcare Excellence Awards 2020. 2020

Rotary Institute – Super Achiever Excellence in Healthcare Award **Year**

Dr. Prathap C. Reddy

Founder and Chairman, Apollo Hospitals Group was conferred with the Rotary Institute 2019 Super Achiever Excellence in Healthcare Award for pioneering 2019 innovation in accessible healthcare, bringing high quality healthcare within the reach of all and conceptualizing a model for preventive healthcare.

Outstanding Institution Builder Award **Year**

Dr. Prathap C Reddy

Founder and Chairman, Apollo Hospitals Group was conferred with Outstanding 2019 Institution Builder award by the All India Management Association.

Effective Succession Planning Award **Year**

Dr. Prathap C Reddy

Founder and Chairman, Apollo Hospitals Group was conferred with the 'Effective 2019

Succession Planning' award at the Economic Times Family Business Awards

Healthcare Transformation Leader's Award **Year**

Dr. Sangita Reddy

Joint Managing Director, Apollo Hospitals Enterprise Limited was felicitated with the prestigious Healthcare Transformation Leader's Award for the exemplary role 2019 in India's healthcare sector at India's Biggest Event on Innovation in Healthcare – 'Healthcare in today's Digital India'

International Women Entrepreneur **Year**

Dr. Sangita Reddy

Joint Managing Director, Apollo Hospitals Enterprise Limited was awarded the 2019 International Women Entrepreneur 2019 award from the IWEC Foundation.

Best Female Healthcare Leader – Mediko Award **Year**

Dr. Sangita Reddy

Joint Managing Director, Apollo Hospitals Enterprise Limited was presented with the "Best Female Healthcare Leader" Mediko award from the prestigious Indian Medical Association Awards. 2019

Lions Humanitarian Award **Year**

Dr. Prathap C Reddy

Dr. Prathap C Reddy, Founder and Chairman, Apollo Hospitals Group is the fifth Indian and the second medical doctor to be conferred with the prestigious Lions Humanitarian 2018 Award by Lions Club International Foundation for making international standards of healthcare accessible and affordable to millions across India and around the world.

Indian Digital Marketing Awards **Year**

Apollo eDoc website wins the bronze medal for best SEO website at Indian Digital Marketing Awards, 2016. 2016

Website of the year India Award **Year**

Apollo Hospitals has won the award for Most Popular Website in the Health category at the Website of the year India Awards 2014. 2014

Asian Leadership Awards

Year

Apollo Hospitals (Group) – “Emergency 24×7” Mobile App won the Best Branded Mobile App Award at the Asian Leadership Awards. 2014

Apollo Hospitals (Group) Website won the Best Website Award at the Asian Leadership Awards. 2014

Best Social Community Award

Year

Apollo Hospitals (Group) – “Blood Connections” won the Best Social Community Award at the Social Media for Empowerment Awards. 2014

CHAPTER-2

FINANCIAL AND MARKET ANALYSIS

2.1. Introduction of Balance Sheet:

In financial accounting, a balance sheet or statement of financial position is a summary of the financial balances of a sole proprietorship, a business partnership, a corporation or other business organization, such as an LLC or LLP. Assets, liabilities and ownership equity are listed as a specific date, such as the end of its financial year. a balance sheet or often described as a “snapshot of a company’s financial condition”. Of the three basic financial statements, the balance sheet is the only statement which applies to a single point in time of a business calendar year.

A standard company balance sheet has three parts: assets, liabilities and ownership equity. The main categories of assets are usually listed first and typically in order of liquidity.

Assets are followed by the liabilities. The difference between the assets and the liabilities is known as equity or the net assets or the net worth or capital of the company and according to the accounting equation, net worth must equal assets minus, liabilities.

Another way to look at the balance sheet equation is that total assets equals liabilities plus owner’s equity. Looking at the equation in this way shows how assets were financed: either by borrowing money (liability) or by using the owner’s money (owner’s or shareholders’ equity). Balance sheets are usually presented with assets in one section and liabilities and net worth in the other section with the two sections “balancing”.

A business operating entirely in cash can measure its profits by withdrawing the entire Apollo Hospitals balance at the end of the period, plus any cash in hand. However, many business are not paid immediately; they build up inventories of goods and they acquire buildings and equipment. In other words: businesses have assets and so they cannot, even if they want to, immediately turn these into cash at the end of each period. Often, these businesses owe money

to suppliers and to tax authorities, and the proprietors do not withdraw all their original capital and profits at the end of each period. In other words businesses also have liabilities.

Table No. 2.1
Balance Sheet of Apollo Hospitals

(Rs. in Crores)

Particulars	2020-21	2021-22	2022-23
Assets			
Non Current Assets			
Property, plant and equipment	158.35	389.17	935.58
Capital work-in-progress	20.09	155.20	179.09
Others Intangible Assets		28.24	34.14
Right of use assets	68.40	432.74	824.40
Financial Assets			
Investments	4085.01	4184.50	9171.58
Other Financial Assets	2.52	19.15	25.75
Non current tax assets (net)	6.86	26.99	24.68
Other non current assets	78.16	65.16	18.36
Total Non Current Assets	4419.39	5301.15	11213.58
Current Assets			
Inventories	47.85	39.00	66.87
Financial Assets			
Trade receivables	115.06	212.88	376.11
Cash and equivalents	866.79	9.38	357.03
Apollo Hospitals balances other than cash and cash equivalent		65.00	544.60
Loans	4.50	27.82	-
Other Financial Assets	3.72	6167.90	55.62
Other Current Assets	26.93	51.41	105.61
Total Current Assets	1064.85	6573.39	1505.84
Total Assets	5484.24	11874.54	12719.42

Equity and Liabilities			
Equity			
Equity Share capital	4.48	238.60	238.61
Other Equity	5170.32	10889.21	11174.17
Total Equity	5174.80	11127.81	11412.78
Liabilities			
Non Current Liabilities			
Financial Liabilities			
Lease Liabilities	64.60	416.84	808.15
Provisions	8.80	7.14	18.35
Total Non Current Liabilities	73.40	423.98	826.50
Current Liabilities			
Financial Liabilities			
Lease Liabilities	8.46	27.32	49.89
Trade Payables	0	0	0
Total Outstanding dues to micro and small enterprises	0.29	0.43	3.61
Total outstanding dues to other than micro and small enterprises	23.35	54.87	124.28
Other financial liabilities	195.17	204.78	229.61
Other current liabilities	1.79	22.40	21.02
Contract liabilities	0.38	5.59	41.40
Provisions	6.60	7.36	10.33
Total Current Liabilities	236.04	322.75	480.14
Total Liabilities	309.44	746.76	1306.64
Total Equity and Liabilities	5484.24	11874.54	12719.42

Source: Annual Report

2.2 Profit and Loss Account

Table No. 2.2
Profit and Loss Account

(Rs. in Crores)

Particulars	2020-21	2021-22	2022-23
Income			
Revenue from operations	683.10	1457.14	2139.26
Other income	21.10	95.41	162.39
Total Income (I)	704.20	1552.55	2301.65
Expenses			
Purchases of stock in trade	412.21	972.12	1314.91
Cost of materials consumed	96.75	193.56	257.77
Changes in inventories of finished goods, work in progress and stock in trade	(6.64)	20.00	(3.96)
Employee benefits expenses	225.75	137.32	281.45
Finance costs	5.65	26.31	65.45
Depreciation and amortization expense	13.15	46.32	153.07
Impairment reversals (net)	0	0	(69.44)
Other expenses	43.00	101.13	226.54
Total Expenses (II)	789.87	1496.76	2225.79
Profit before tax (III) = (I-II)	(85.67)	55.79	75.86
Tax expenses			
Current tax	0	0	20.42
Total tax expense (IV)	0	0	20.42
Profit for the year (V) = (III-IV)	(85.67)	55.79	55.44

Introduction of Ratio Analysis:

Ratio analysis isn't just comparing different numbers from the balance sheet, income statement and cash flow statement. It's comparing the number against previous years, other companies, the industry or even the economy in general. Ratios look at the relationships

between individual values and relate them to how a company has performed in the past, and how it might perform in the future.

As integral aspect of fundamental analysis performing what many would call “ration analysis”. This involves calculating a number of different industry standard ratios and comparing them to various benchmarks. The benchmarks can be the ratio of other competitors, industry average ratios, or industry “rules-of-thumb”. There’s no set procedure for performing ratio analysis because it all depends on the type of company you’re analyzing-certain industries have industry specific ratios. Regardless, this article will give you an overview of some of the standard ratios and what they may tell us about a company.

Meaning of Ratio:

In mathematics, a ratio is a relationship between two numbers of the same kind (e.g., objects, persons, students, spoonfuls, units of whatever identical dimension), expressed as “a to b” or a:b, sometimes expressed arithmetically as a dimensionless quotient of the two that explicitly indicates how many times the first number contains the second (not necessarily an integer).

In general, a ratio is a way of concisely showing the relationship between two quantities of something. The most formal way of stating a ratio is by separating the two quantities with a colon (:) although sometimes a division sign (/) is used in place of the colon. Thus, where there is a ratio of 5:2 between apples and oranges, for each five apples, there are two oranges.

A ratio is defined as “the relationship between two or more things and an indicated quotient of the two mathematical expansions”.

A. Current Ratio:

Current ratio may be defined as the ratio of current assets to current liabilities. Current ratio indicates the liquidity or the short term solvency of the organization concern. In other words it indicates the ability of a concern to meet its current liabilities. This ratio is a measure of the working capital available in a concern at any time.

$$\text{Current Ratio} = \frac{\text{current Asset (CA)}}{\text{Current Liability (CL)}}$$

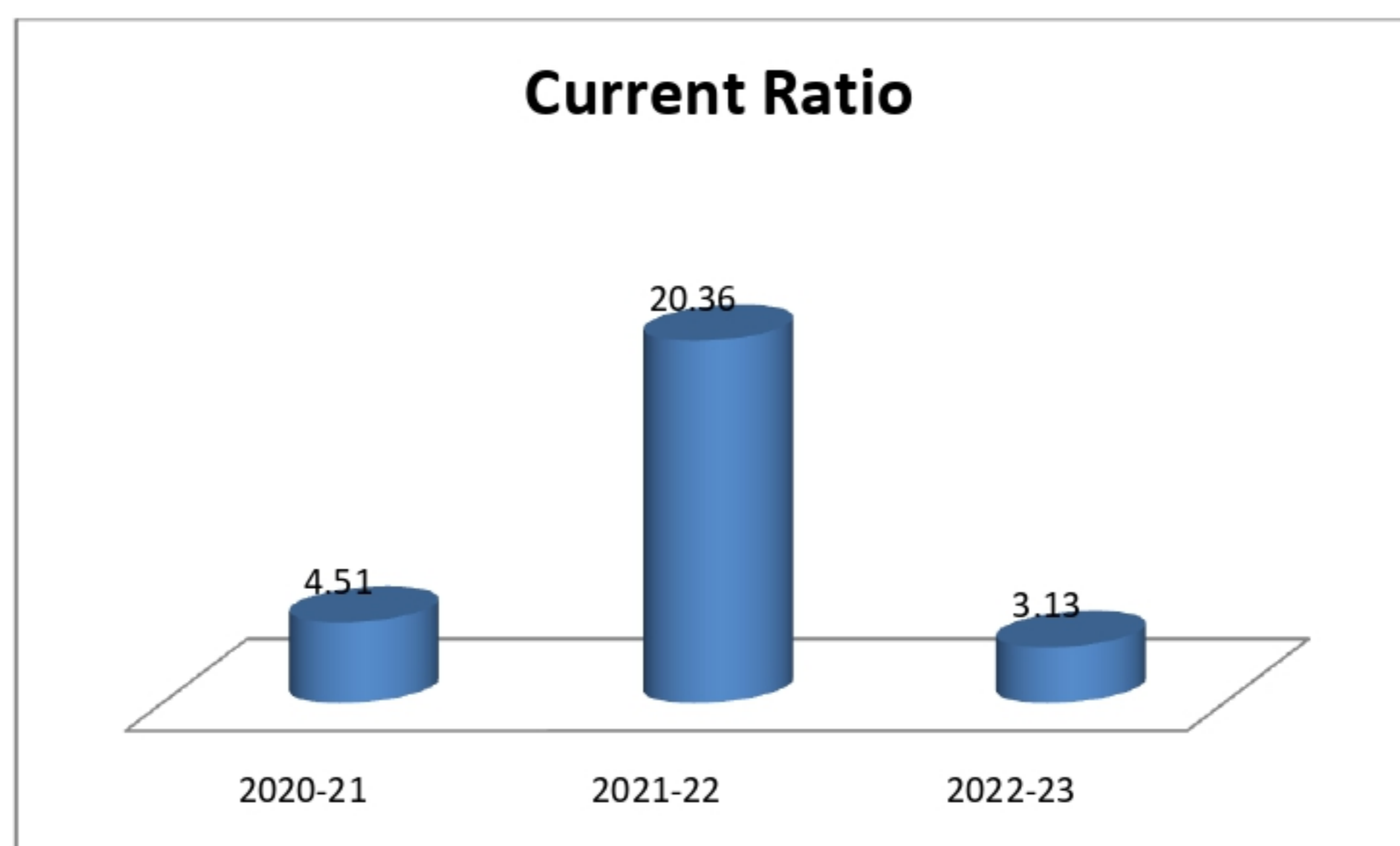
Current assets means cash are those assets convertible or expected to be converted into cash within a year and current liabilities are those liabilities to be paid off within the same time. Current assets normally includes cash in hand, cash at Bank, Bills Receivable, Sundry debtors, inventories (stock), readily marketable securities advances granted to staff, prepaid expenses, accrued income etc.. Current liabilities include items such as bills payable, sundry creditors, Bank overdraft, cash credit, short term income tax, proposed dividend, any position of long term loans falling due and payment in the current year out of current assets.

Table No.2.3
Current Ratio

(Rs. in Crores)

Year	Current Asset	Current Liabilities	Current Ratio
2020-21	1064.85	236.04	4.51
2021-22	6573.39	322.75	20.36
2022-23	1505.84	480.14	3.13

Graph No. 2.1



Interpretation:

The standard current ratio is 2:1. However in case of Apollo Hospitals is varying between 2020-21 to 2022-23. That means in the year 2020-21 the current ratio is 4.56, in the year 2021-22 it increases to 20.36, in the year 2022-23 it decreases to 3.13. Therefore it shows the good financial position of the Apollo Hospitals.

B. Liquidity/Quick/Acid test ratio:

Current ratio does not measure accurately the liquid or short term solvency of a concern. It is because current asset include item such as stock and prepaid expenses which are not easily realizable. So liquid ratio has been evolved to determine the liquidity of an organisation. The quick ratio is also known as acid test ratio because it affords the real test of the liquidity of organisation. This ratio is calculated by comparing the liquid asset with liquid liability.

Quick assets includes all current assets except inventories (stock) and prepaid expenses. Inventories are excluded as they are not sufficiently liquid. Prepaid expenses are excluded as they are not realizable in cash. Bank overdraft and cash credit are excluded from the list of quick liabilities because in most of the cases they are a permanent form of arrangement and continue for more than a year. Some authors do not make any distinction between current liabilities and quick liabilities.

Quick ratio can be expressed as follows:

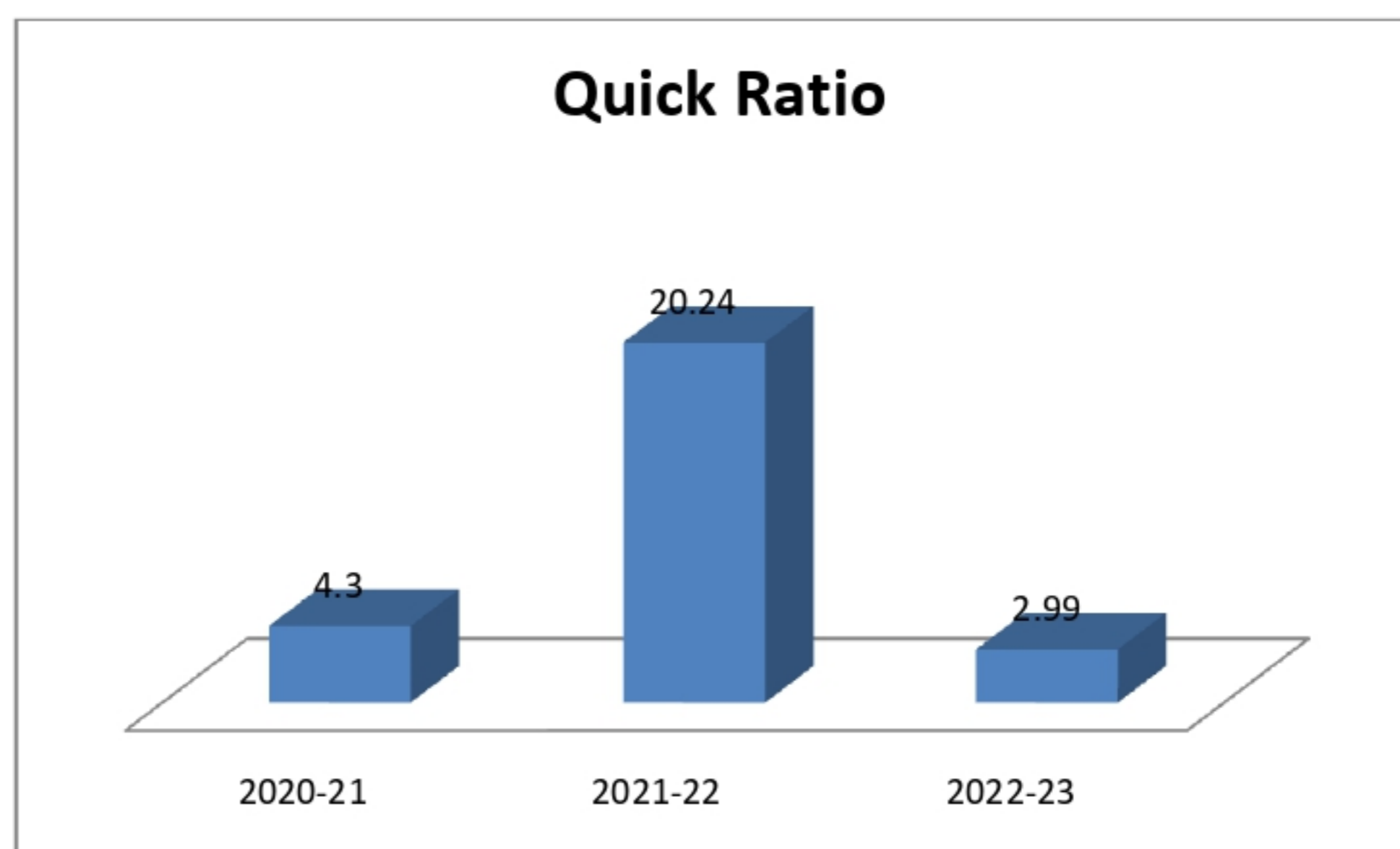
$$\text{Quick Ratio} = \frac{\text{Quick Asset}}{\text{Quick Liability}}$$

Table No.2.4

Quick Ratio

Year	Quick Asset	Quick Liabilities	Quick Ratio
2020-21	1017.04	236.04	4.30
2021-22	6534.39	322.75	20.24
2022-23	1438.97	480.14	2.99

Graph No. 2.2



Interpretation:

The standard quick ratio is 2:1. However in case of Apollo Hospitals is varying between 4.30 to 2.99 in last 3 years. That means in the year 2020-21 the quick ratio is 4.30, in the year 2021-22 it increases to 20.24 and in the year 2022-23 it decreases to 2.99. Therefore, it shows the good liquid position of the Apollo Hospitals.

C. Debt-Equity Ratio:

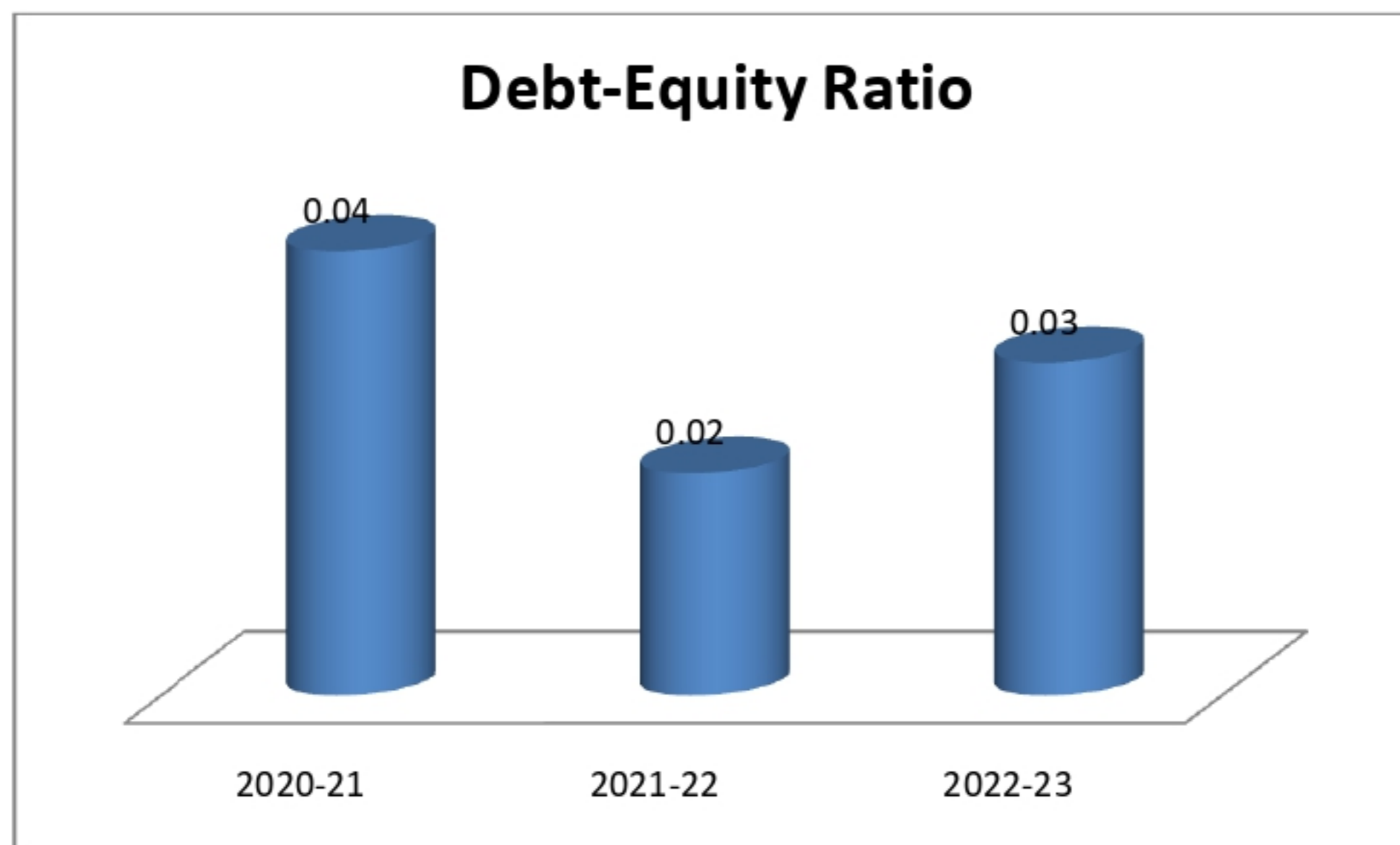
This is ratio which express the relationship between debt and equity. Debt generally refers to long term liabilities. Some authors consider debt was short term as well as long term liabilities. Equity means owners fund, it consists of capital, reserves and profits. If these are fixations assets they should be deducted from owner fund.

$$\text{Debt-Equity Ratio} = \frac{\text{Debt}}{\text{Equity}}$$

Table No.2.5
Debt-Equity Ratio

Year	Debt	Equity	Debt-Equity Ratio
2020-21	227.27	5174.80	0.04
2021-22	287.4	11127.81	0.02
2022-23	407.39	11412.78	0.03

Graph No. 2.3



Interpretation:

The debt-equity of the corporation is reducing every year. It is the good sign for the organization. 2:1 is considered as standard or ideal debt-equity ratio. However, the debt is more than 2 times the equity therefore, the financial structure of the organisation is weak so the risk of long term creditor is relatively more.

D. Proprietor Ratio or Networth Ratio:

It is the ratio which expresses the relationship between network or equity and total assets. Net worth or equity means the excess of total assets over total liabilities. In other words it means the where fund or proprietors fund.

Total assets refer to all realizable assets. They also include intangible assets like patent rights. Copy rights and trade marks if they can be realize. However they do not include good.

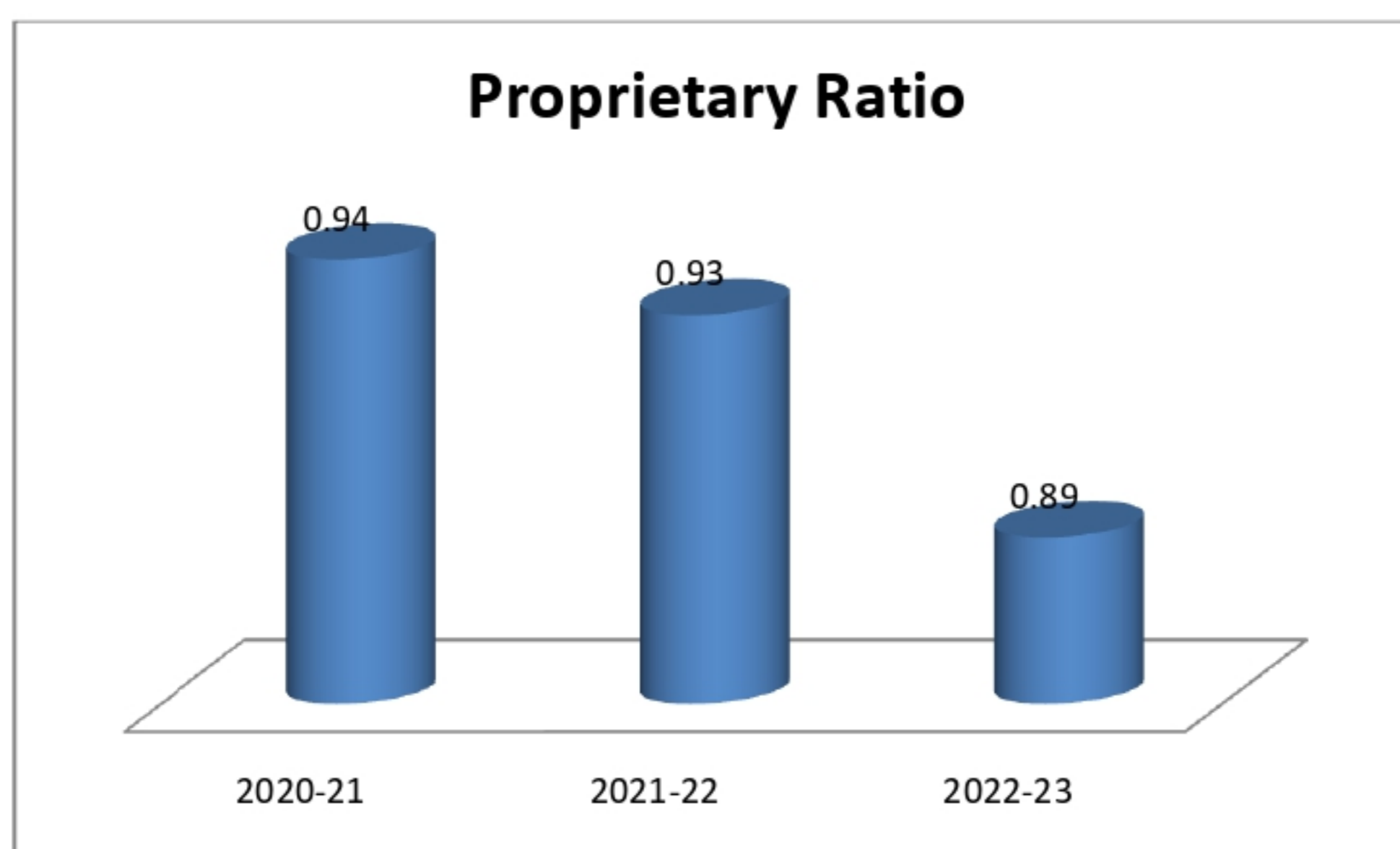
This ratio indicates the proportion between shareholders fund and borrowed fund. It also indicated the relative risk of the owners and creditors of Apollo Hospitals.

Table No.2.6
Proprietary Ratio

Year	Net worth	Total Assets	Proprietary Ratio
2020-21	5174.80	5484.24	0.94
2021-22	11127.81	11874.54	0.93
2022-23	11412.78	12719.42	0.89

Source: Annual Report

Graph No.2.4



Interpretation:

The ratio of 0.5:1 is considered as an ideal proprietary ratio. The proprietary ratio of Apollo Hospitals is higher than the ideal ratio therefore the financial is strong.

E. Return on Capital Employed / Over All Profitability Ratio:

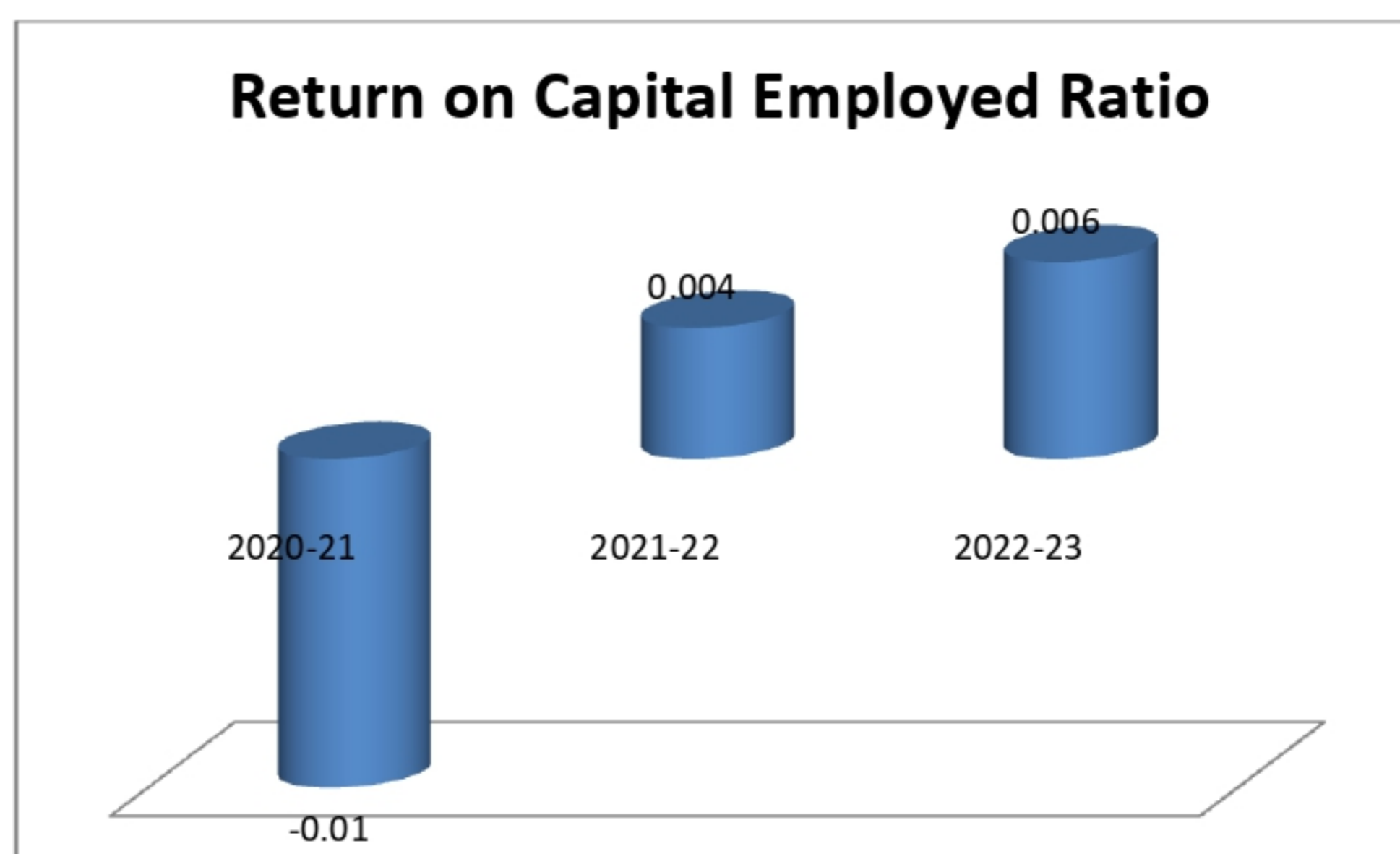
It is the ratio between return on capital employed and capital employed means operating profit or net profit before deducting interest on long term loans, deposits, debentures and taxes. Capital employed refers to the total long term funds employed in the business. Return on capital employed indicates the earning power of capital employed. It is the best method for measuring the overall efficiency or performance of a business.

$$\text{Return on Capital Employed Ratio} = \frac{\text{Operating Profit}}{\text{Capital Employed}}$$

Table No.2.7
Return on Capital Employed Ratio

Year	Operating Profit	Capital Employed	Return on Capital Employed Ratio
2020-21	-85.67	5402.07	-0.01
2021-22	55.79	11415.21	0.004
2022-23	75.86	11820.17	0.006

Graph No. 2.5



Interpretation:

The return on Capital Employed indicates the earning power of capital employed, with the help of this ratio it is possible to measure the overall efficiency or performance of the Apollo Hospitals. This can be clear with the help of above table i.e., in case of 2020-21 the return on capital employed ratio is (-0.01) but in the year 2021-22 it increases to 0.004, in the year 2022-23 it increases to 0.006, Hence it shows the efficiency of the Apollo Hospitals is normal.

F. Net Profit Ratio

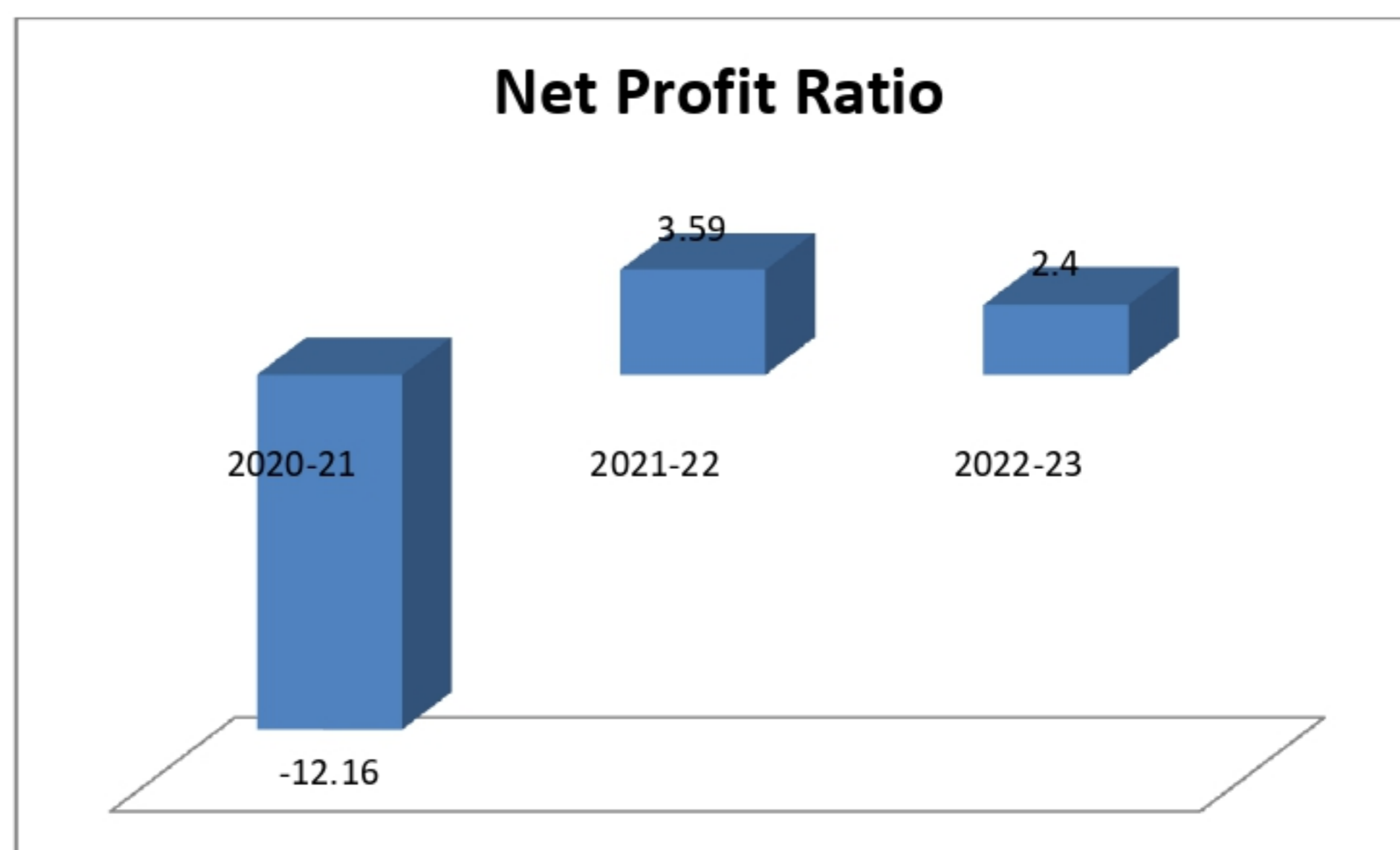
It is calculated by dividing the net profit by the net sales. This ratio is the overall measure of firms profitability. High ratio indicates the profit concern is good & low ratio indicates that profitability of the concern is poor.

$$\text{Net Profit Ratio} = \frac{\text{Net Profit}}{\text{Sales}} \times 100$$

Table No.2.8
Net Profit Ratio

Year	Net Profit	Sales	x	Net Profit Ratio
2020-21	-85.67	704.20	X100	-12.16
2021-22	55.79	1552.55	X100	3.59
2022-23	55.44	2301.65	X100	2.40

Graph No. 2.5



Interpretation:

From the above chart we find out the analysis of net profit ratio for the past 3 years are -12.16, 3.59 and 2.40 in the year 2020-21, 2021-22 and 2022-23 respectively. This can show that there is no ideal ratio, but it should achieve high ratio. Here the Apollo Hospitals indicates the low rate of negative profit shows loss or the poor performance of the firm in achieving the more sales and profit.

G. Total Assets Turnover Ratio:

This ratio expresses the relationship between total assets and turnover or sales. Total assets mean all current and fixed assets. This ratio indicates the efficiency or inefficiency in the uses of total resources.

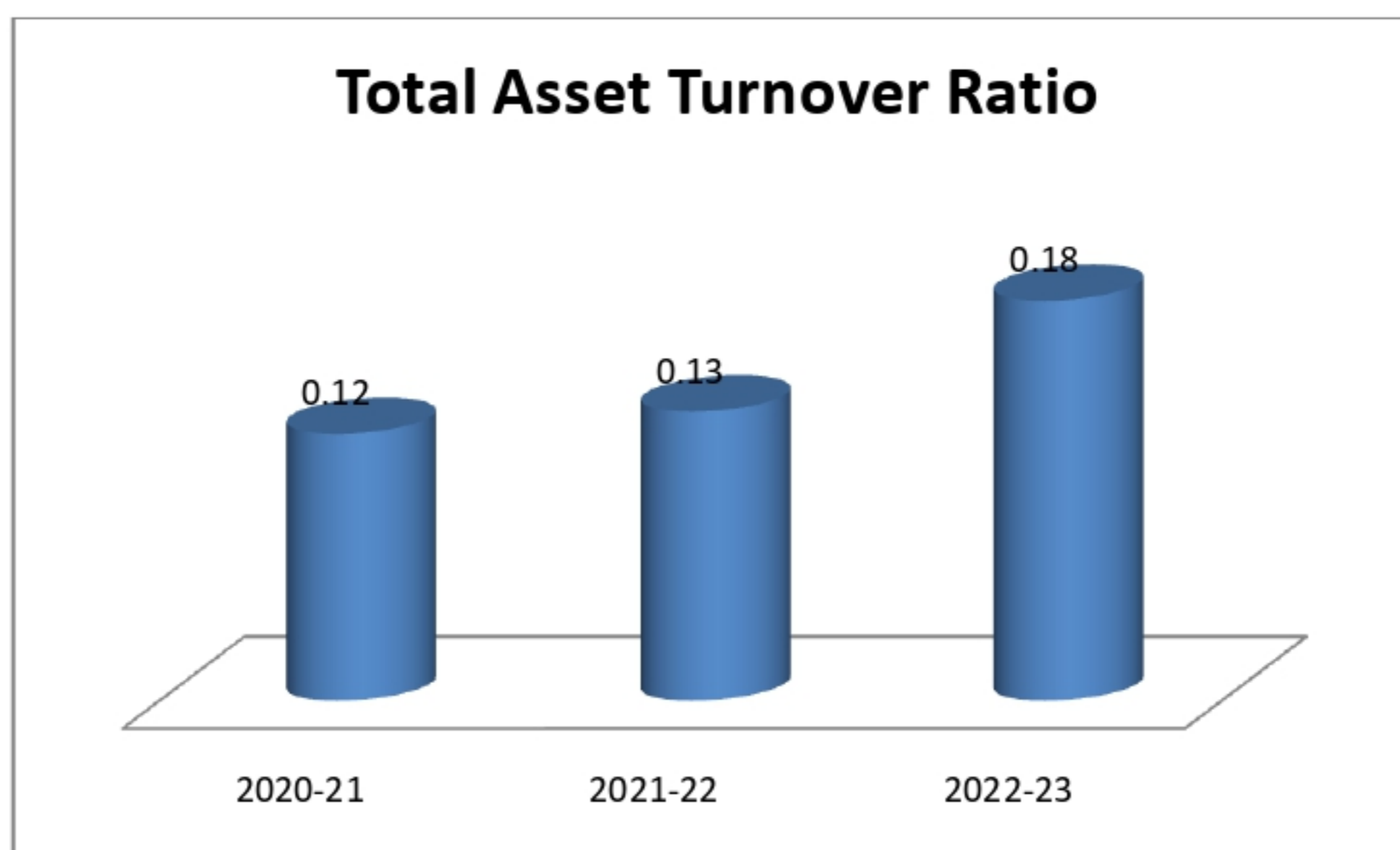
$$\text{Total Asset Turnover Ratio} = \frac{\text{Net Sales}}{\text{Total Asset}}$$

Table No.2.9

Total Asset Turnover Ratio

Year	Net Sales	Total Asset	Total Asset Turnover Ratio
2020-21	704.20	5484.24	0.12
2021-22	1552.55	11874.54	0.13
2022-23	2301.65	12719.42	0.18

Graph No. 2.6



Interpretation:

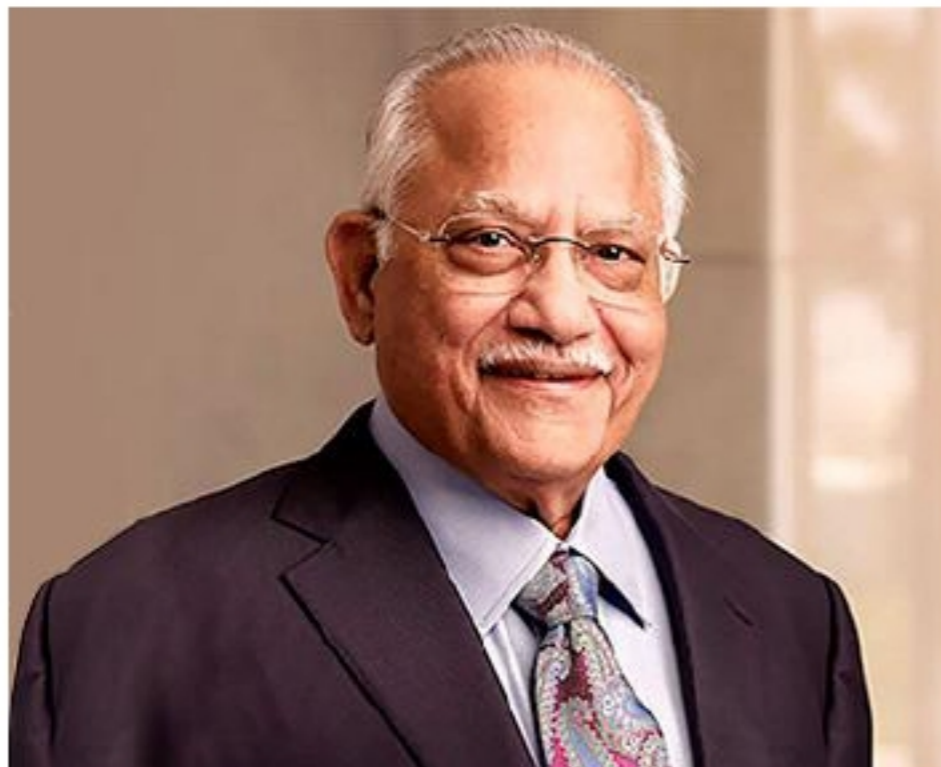
From the above chart we find out the analysis of total asset turnover ratio is in the year 2020-21 it is 0.12, in the year 2021-22 it is 0.13 and in the year 2022-23 it is 0.18. From the above analysis we can know that the Apollo Hospitals is achieving the growth in 2022-23.

CHAPTER-3

MANAGEMENT AND LEADERSHIP

3.1 Leadership Team

Dr. Prathap C. Reddy Founder, Chairman



Dr. Prathap C Reddy, Founder-Chairman of the Apollo Hospitals Group, is the visionary architect of modern Indian healthcare. He is best described as a compassionate humanitarian who dedicated his life to bringing world-class healthcare within the economic and geographic reach of millions.

In 1983, Dr. Reddy embarked on an extraordinary journey by establishing Apollo Hospitals, which not only revolutionized healthcare in India but also pioneered the private healthcare industry in India. The Apollo model of care inspired many, and at present, over 300 other large, high-quality hospitals have elevated the quality of care in India, making it available at a tenth of the international cost and changing the way people in the country live and access healthcare.

Dr. Preetha Reddy, Executive Vice Chairperson, Apollo Hospitals Enterprise Limited.



Dr. Preetha Reddy, the Executive Vice Chairperson of Apollo Hospitals Enterprise Limited and a member of its founding family, is widely acknowledged for her exceptional contributions to making high-quality healthcare accessible to millions and for her dedicated support to various entities and industry bodies, all working towards the betterment of India.

Apollo Hospitals, the pioneer of private healthcare in India and the foremost integrated healthcare conglomerate in Asia, has had a profound impact on the lives of over 200 million individuals from more than 140 countries since its establishment in 1983.

Working closely with over 13,000 clinicians within the organization, Dr. Preetha collaborates in introducing contemporary protocols to continuously enhance clinical outcomes. She takes the lead in promoting quality improvement processes, striving to achieve the highest standards in patient satisfaction. Additionally, she serves as the Managing Trustee of the Apollo Hospitals Educational Trust, a principal body responsible for overseeing the educational endeavours of the group.

Furthermore, Dr. Preetha Reddy actively engages with industry bodies and the Government of India to influence healthcare policy decisions. She maintains a close working relationship with the Quality Council of India and has guided teams from Apollo Hospitals in their collaboration with the Government of India to introduce the NABH (National Accreditation Board for Hospitals and Healthcare Providers) accreditation. Currently, she serves as a Member of the Steering Committee responsible for strategizing the Grading of NABH Accredited Healthcare Organizations.

In 2013, alongside Dr. Prathap C Reddy, Dr. Preetha played a pivotal role in establishing NATHEALTH – Healthcare Federation of India, which represents the unified and credible voice of Indian healthcare. In the year 2020-21, she served as the President of NATHEALTH.

Executive Vice Chairperson Apollo Hospitals Enterprise Limited Dr. Preetha Reddy Dr. Preetha is also a member of the Governing Council of the International Hospital Federation (IHF), a non-profit, non-governmental membership organization with a vision to create a world

of healthy communities. IHF focuses on promoting efficient, well-managed hospitals and healthcare facilities that deliver safe, high-quality, accessible, and patient-centred care, all with the aim of helping individuals achieve their highest potential for health.

She serves as an Independent Director on the Board of Larsen & Toubro Limited and is a member of the India Advisory Council of the Schulich School of Business.

With a deep commitment to service, Dr. Preetha provides leadership and guidance to several social projects, including SACHi (Save a Child's Health Initiative) and the Total Health Foundation. She has facilitated prompt medical assistance for relief and rehabilitation during times of disasters and natural calamities across the country whenever the need arises.

In recognition of her remarkable service to humanity, Dr. Preetha Reddy was honoured with the prestigious 'Sir Jehangir Ghandy Medal for Industrial and Social Peace' by the Xavier School of Management in 2022. Additionally, for Apollo Hospitals' outstanding contributions in managing the COVID-19 pandemic, she received the Economic Times Businesswoman of the Year award. FICCI (Federation of Indian Chambers of Commerce & Industry) presented her with the 'Healthcare Personality of the Year Award' for her visionary outlook, exemplary work, and notable contributions to the fields of healthcare and social science.

She has received numerous accolades for her distinguished service in the field of Social Science, including a Lifetime Achievement award from the Loyola Forum for Historical Research and the Asia HRD Congress. She was also honoured with the NHRDN 'People CEO Awards – Women Leadership' by The National HRD Network. The Asian Business Leaders Forum (ABLF) conferred upon her the ABLF Award for Business Courage.

Dr. Preetha Reddy holds a Bachelor's degree in Science and a Masters in Public Administration. She was conferred the degree of Doctor of Science (Honoris Causa) by The Tamil Nadu Dr. MGR Medical University in recognition of her outstanding work in the field of healthcare.

Ms. Shobana Kamineni, Executive Vice Chairperson



Ms. Shobana Kamineni is the Executive Vice Chairperson of Apollo Hospitals Enterprise Limited and a member of its founding family. Championing special initiatives, she has built three billion-dollar verticals for the Apollo Group and is steering India's largest integrated digital healthcare platform – Apollo 24/7. She also helms Apollo Pharmacy, India's largest pharmacy chain with a pan-India network of over 5700+ stores. She was the founder and served as chairperson of Apollo Munich Health Insurance, leading the business for 9 years, before its merger with HDFC ERGO. Following her passion to further cutting-edge research and development, she championed the creation and incubation of “Biobank”, a catalogued library of ethically consented and anonymized bio-samples. The initiative was recognized as one of the top 10 ideas of the decade in Life Sciences by Time Magazine.

An active member of the Confederation of Indian Industry (CII), Ms. Shobana created history by becoming the first ever woman President of CII (2017-18) in more than 100 years since its founding.

Fiercely determined to improve public health systems across the world, she accepted a Board and Audit committee position in the Foundation for Innovative New Diagnostics (FIND), an international non-profit organization that works on developing much-needed diagnostic tests for poverty-related diseases. She is also the founder of ‘Billion Hearts Beating’ – an NGO dedicated to educating Indians about preventing heart disease and staying heart-healthy.

Ms. Shobana has served as Co-Chair of the World Economic Forum's (WEF) Health and Healthcare Industry Governors' Community, Co-Chair of the WEF's Closing the Skills Gap

Taskforce in India and currently serves as a board member at the Edison Alliance at the World Economic Forum. Her mission at WEF has been focused on preparing India's workforce for the Fourth Industrial Revolution and developing India as a lighthouse country to accelerate digital inclusion in the health sector.

Ms. Shobana has been a recipient of numerous prestigious national awards for entrepreneurship and leadership. The Women Economic Forum honoured her with the award of 'Businesswomen of the Decade' in recognition of her work in healthcare and women empowerment. She was conferred an Honorary Doctorate Degree of Science by the prestigious Bryant University, USA, in recognition of her life's work in healthcare & pharmaceuticals and her leadership role in business expansion in India. In 2023, in recognition of her outstanding contributions, the BML Munjal University (BMU) conferred upon her an Honorary Doctorate of Science (Honoris Causa). This honour was bestowed for her entrepreneurial acumen, transformative leadership, and significant contributions to healthcare innovation and women's empowerment.

Ms. Suneeta Reddy, Managing Director



Suneeta Reddy is the Managing Director of Apollo Hospitals, Asia's foremost and trusted healthcare provider. A member of the founding family, Suneeta Reddy started working with Apollo Hospitals in 1989. Under her stewardship Apollo Hospitals has emerged as a forerunner of integrated healthcare and also has a robust presence across the healthcare spectrum; the Group has touched the lives of more than 200 million individuals from over 140 countries.

Spearheading the finance and strategy functions, Suneeta Reddy was instrumental in bringing the first FDI into healthcare in India and subsequently in taking the organization to

international equity markets through a successful GDR. It has been her deep domain knowledge and foresight that has guided Apollo's emergence as a formidable, financially sound hospital enterprise. In her extensive career, she has overseen several Greenfield and Brownfield projects. She steered the Apollo Reach Hospitals model to fruition, and the initiative was commended by the World Bank as an innovation redefining both healthcare and healthcare design. Now, with a clear focus to making the company future ready, Suneeta Reddy is heading efforts to transform Apollo Hospitals into a digitally enabled organization. She also serves on the Board of several Apollo Hospitals' Group companies. Through her close involvement, effort and patience, she has guided these companies on the path of growth and profitability.

In recognition of Apollo Hospitals delivering outstanding medical care during the COVID-19 outbreak, Suneeta Reddy was awarded the Economic Times Businesswoman of the Year award. Suneeta Reddy has been the Chair of the CII Healthcare Council for several years, and was also the Chairperson of CII Asia Health Summit 2021, and a member of its National Council and Family Business Council.

She is a member of CNBC International's Global Sustainability Forum, one of only two members from India. Suneeta Reddy is a member of the Harvard Business School India Advisory Board (IAB) and the Harvard Medical School Advisory Board.

Managing Director Apollo Hospitals Enterprise Limited Ms. Suneeta Reddy She is a Director on the Board of Chennai International Centre (CIC), and an Honorary Member of the Executive Council of Sai University. She is a Patron of the International Chamber of Commerce, India and also a member of the PHD Chamber of Commerce and Industry.

Suneeta Reddy received her Bachelor of Arts degree in Public Relations, Economics and Marketing from Stella Maris College in Chennai. She holds a Diploma in Financial Management from the Institute of Financial Management and Research, Chennai and has completed the Owner / President Management Program at Harvard Business School (HBS), Boston, USA. Suneeta Reddy has an honorary doctorate in Life Sciences from Sage University, Indore.

An avid fitness enthusiast, she is very mindful about healthy living and following a balanced diet. A compassionate and caring individual, Suneeta Reddy has provided financial aid to innumerable underprivileged patients, especially to children ailing with thalassemia.

Dr. Sangita Reddy, Joint Managing Director



Dr. Sangita Reddy is a Global Healthcare Influencer, Healthcare Technocrat, Social Entrepreneur and Humanitarian. She is currently the Chair of G20 Empower, an influential initiative in India aimed at driving empowerment and sustainable development on a global scale. G20 Empower plays a prominent role in addressing critical challenges such as gender inequality, economic disparities, and healthcare accessibility among G20 member nations. By leveraging the collective strength and resources, G20 Empower strives to create an ecosystem that empowers individuals, promotes social welfare, and fosters sustainable progress in India and beyond.

As a member of the founding family of Apollo Hospitals, she is passionately committed to transforming healthcare ecosystems through technological advancements and service innovations. She has been conferred with an Honorary Doctorate by Macquarie University Australia, in recognition of her untiring efforts and resolute commitment to bringing transformative changes in healthcare, development of Health IT and championing manifold initiatives both in India and abroad. She is an Honorary Consul of Brazil in Hyderabad, appointed by the Govt. of India.

Influencing Global Healthcare – As an influential policy maker and reformist, she is actively engaged with governments and industry bodies on aspects of public health and policy

development. Dr. Sangita Reddy is a member of the World Economic Forum (WEF). In December 2019, she became the President of the industry chamber, FICCI for 2019-2020.

Dr. Sangita Reddy has been nominated by the Government of India as a Member of the Technology Development Board, Department of Science and Technology. She is an Executive Member at National Association of Software & Services Cos (NASSCOM) and was on the Board for Development Institute, USA and GAVI.Org. She was an elected Member of the Steering Committee on Health for the Twelfth Five Year Plan (2012-2017) by the Planning Commission, Government of India.

Joint Managing Director Apollo Hospitals Enterprise Limited Dr. Sangita Reddy She has advocated and influenced policy reforms and is an acclaimed speaker on global healthcare forums around the world including the World Health Congress. As a member of the Rockefeller Working Group, she contributes to the development of private sector's role in the global healthcare industry.

3.2 Corporate Governance and Decision Making Process

Corporate Governance

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. The report on corporate governance as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter Listing Regulations), forms an integral part of this report as Annexure C. The requisite certificate from M/s. Lakshmmi Subramanian & Associates, Practising Company Secretaries confirming the compliance with the conditions of corporate governance is attached to the report on Corporate Governance as Annexure D.

Management Discussion and Analysis Report

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of the Listing Regulations is presented in a separate section forming part of this Annual Report.

Business Responsibility and Sustainability Report

As stipulated under the SEBI Listing Regulations, the Business Responsibility and Sustainability Report describing the initiatives taken by the Company from an environmental, social and governance perspective is attached as part of the Annual Report.

Sexual Harassment

The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. The Company has an Internal Complaints Committee for providing a redressal mechanism pertaining to sexual harassment of women employees at the work place. During the year, 6 complaints were received under the policy and all of them were disposed off.

Vigil Mechanism/Whistle Blower Policy

The Company has established a vigil mechanism for Directors and Employees to report their genuine concerns, the details of which are given in the Corporate Governance Report.

Particulars of Loans, Guarantees and Investments

The details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

Fixed Deposits

During the year, your company did not accept any deposits or renew existing deposits from the public. The total outstanding deposits with the Company as on 31st March 2023 were ₹ 0.84 million (₹ 1.13 million as on 31st March 2022) which were not claimed by the depositors.

Directors and other Key Managerial Personnel (KMPs)

Board Composition and Independent Directors

The Board consists of the Executive Chairman, four Executive Directors and six Independent Directors as on 31st March 2023. Independent directors are appointed for a term of five years and are not liable to retire by rotation. All Independent Directors have given their

declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 (1) (b) of the SEBI Listing Regulations.

Lead Independent Director

Shri MBN Rao, Independent Director and Chairman of the Audit Committee has been appointed as the Lead Independent Director with effect from May 25, 2022. The roles and responsibilities of the Lead Independent Director are provided in the Corporate Governance Report forming part of this Annual Report.

Retirement by Rotation

Pursuant to Section 152 of the Companies Act 2013, Smt.Sangita Reddy, Director retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment. Based on the outcome of the performance evaluation process and the recommendation of the nomination and remuneration committee, the Board recommends her reappointment. The notice convening the AGM, to be held on 30th August 2023, sets out the relevant details.

Re-appointment of Independent Directors

Pursuant to the provisions of the Companies Act, 2013 (“Act”), the shareholders at the 38th AGM of the Company held on 27th September 2019 appointed :-

- (i) Dr. Murali Doraiswamy as an Independent Director to hold office for five consecutive years for a term up to 26th September 2023.
- (ii) Shri. MBN Rao as an Independent Director to hold office for five consecutive years for a term up to 8th February 2024.
- (iii) Smt. V. Kavitha Dutt as an Independent Director to hold office for five consecutive years for a term up to 8th February 2024.

The above said Independent Directors are eligible for reappointment for a second term of five consecutive years. Pursuant to the provisions of the Act and based on the recommendation of the Nomination and Remuneration Committee, the Board recommends for the approval of the Members through Special Resolutions at the AGM of the Company, the re-appointment of Dr.

Murali Doraiswamy, Shri MBN Rao and Smt. V. Kavitha Dutt as Independent Directors for a second term of five consecutive years. The notice convening the AGM, to be held on 30th August 2023, sets out the relevant details respectively.

Key Managerial Personnel

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Key Managerial Personnel of the Company are Smt. Suneeta Reddy, Managing Director, Shri. Krishnan Akhileswaran, Chief Financial Officer and Shri. S.M. Krishnan, Sr. Vice President-Finance & Company Secretary. There has been no change in the Key Managerial Personnel during the year.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and in terms of Regulation 17(10) of the SEBI Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of the Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

Nomination & Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee, approved a policy for selection and appointment of Directors, Senior Management and their remuneration. The Nomination & Remuneration Policy is stated in the Corporate Governance Report.

Meetings of the Board

The Board met seven times during the financial year, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Risk Management

The Board of Directors had constituted a Risk Management Committee to identify elements of risk in different areas of operations and to develop a policy for actions associated to mitigate the risks. The Committee on a timely basis informed the members of the Board of Directors about risk assessment and minimization procedures and in the opinion of the Committee there was no risk that may threaten the existence of the Company. The details of the Risk Management Committee are included in the Corporate Governance Report.

Internal Financial Controls and their Adequacy

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit (IA) function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board. The details of the internal control system and its terms of reference are set out in the Management Discussion and Analysis Report forming part of the Board's Report.

The Board of Directors have laid down internal financial controls to be followed by the Company and the policies and procedures to be adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to the 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. The Audit Committee evaluates the internal financial control systems periodically.

significant and Material Orders passed by the Regulators or Courts. There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act 2013, the Board of Directors to the best of their knowledge hereby state and confirm:

- a. that in the preparation of the annual financial statements for the year ended March 31, 2023 the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;
- b. that such accounting policies have been selected and applied consistently and judgement and estimates have been made 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, 2023 and of the profit of the Company for the year 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, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Share Capital

The paid-up Equity Share Capital as on March 31, 2023 was ` 718.93 million. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. As of March 31, 2023, the details of shareholding in the Company held by the Directors are set out in the Corporate Governance Report forming part of the Board's Report and none of the directors hold convertible instruments of the Company.

Debentures

During the year, the Company has issued and allotted 1,050 unsecured, redeemable non-convertible debentures of the face value of 1 million each with a coupon rate of 7.70% aggregating to ` 1050 million to Institutional Investors on a private placement basis . The debentures are redeemable on 12th January 2024 and have been listed and admitted to dealing on the wholesale debt market segment of NSE Limited w.e.f. 16th December 2022.

Credit Rating

CRISIL has given the credit rating of CRISIL AA+/Stable for Company's long term bank credit facilities and CRISIL A1+ for short term (working capital) facilities. The Company's debt instruments were also assigned a rating of IND AA+ by India Ratings and Research (Ind-RA)

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 and approved by the Audit Committee.

As per the SEBI Listing Regulations, if any Related Party Transactions ('RPT') exceeds a value of ` 10.00 billion or 10% of the annual consolidated turnover as per the last audited financial statement whichever is lower, the same would be considered as material and would require Members' approval.

In this regard, during the year under review, the Company has taken necessary approvals. However, there were no material transactions of the Company with any of its related parties as per the applicable regulations. Therefore, disclosure of the Related Party Transactions as required under Section 134(3)(h) of the Act in AOC-2 is not applicable to the Company for FY 2022-23.

The details of RPTs during the financial year, including transactions with person or entity belonging to the promoter/ promoter group which hold(s) 10% or more shareholding in the Company are provided in the accompanying financial statements. During the financial year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company other than sitting fees, commission and reimbursement of expenses, as applicable. Your Directors draw the attention of the members to the Notes to the financial statements which sets out related party disclosures.

Particulars of Employees and Remuneration

Disclosure pertaining 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 is annexed to the Report as Annexure F. Statement containing particulars of top 10 employees and particulars of employees as required under Section 197 (12) of the Act read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided as a separate Annexure forming part of this report.

In terms of proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the Shareholders, excluding the aforesaid Annexure. The said Statement is also open for inspection. Any member interested in obtaining a copy of the same may write to the Company Secretary.

Employee Stock Options

No Employee Stock Options have been granted to the employees of the Company and thus no disclosure is required.

Corporate Social Responsibility Initiatives

As part of its initiatives under Corporate Social Responsibility (CSR), the Company has undertaken projects in the areas of Rural Development, Healthcare, Education & Skill Development and Research in Healthcare. These projects are in accordance with Schedule VII of the Companies Act, 2013. The Report on CSR activities for the financial year 2022-2023 is annexed herewith as Annexure A.

Statutory Auditors

The Members at the Annual General Meeting held on 25th August 2022 had approved the re-appointment of Deloitte Haskins & Sells LLP, Chartered Accountants as statutory auditors for the second and final term of five consecutive years, to hold office from the conclusion of the 41st Annual General Meeting till the conclusion of the 46th Annual General Meeting to be held in the year 2027.

The Report given by Statutory Auditors on the financial statement of the Company for the year 2023 is part of the Annual Report. The Notes on the financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report on the financial statements of the Company for the financial year ended March 31, 2023 is unmodified i.e. it does not contain any qualification, reservation or adverse remark.

Cost Auditors

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, appointed M/s. A.N. Raman & Associates, Cost Accountants, Chennai (FRN 102111) to audit the cost accounts of the Company for the financial year 2022-2023 on a remuneration of ` 1.50 million.

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. A.N. Raman & Associates, Cost Accountants, Chennai (FRN102111) for the financial year 2023-24 is included at Item No. 9 of the Notice convening the Annual General Meeting. The Company has maintained cost records in accordance with the provisions of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014 in respect of healthcare services.

Secretarial Auditors

The Board had appointed Smt. Lakshmmi Subramanian, Senior Partner, M/s. Lakshmmi Subramanian & Associates, a firm of Company Secretaries in Practice, to conduct Secretarial Audit for the financial year 2022-2023. The Secretarial Audit Report for the financial year ended March 31, 2023 is annexed herewith as Annexure B. The Secretarial Audit Report does not contain any qualification, reservation or adverse remarks.

The Company's unlisted subsidiary, Apollo HealthCo Limited (AHCL) had also undergone Secretarial Audit in terms of Regulation 24A of the Listing Regulations and

Circulars/Guidelines issued thereunder. The Secretarial Audit Report of AHCL for the financial year ended March 31, 2023 is annexed herewith as Annexure B1. The Secretarial Audit Report also does not contain any qualification, reservation, adverse remark.

Statutory Auditors and Secretarial Auditors Report

The Directors hereby confirm that there is no qualification, reservation or adverse remark made by the statutory auditors of the company or in the secretarial audit report by the practicing company secretary for the year ended 31st March, 2023.

Reporting of frauds by Auditors

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the Audit Committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees.

Other Disclosures

- a) During the year, the Company had complied with the applicable, Secretarial Standards relating to “Meetings of the Board of Directors” and “General Meetings” during the year.
- b) There are no proceedings initiated/pending against your Company under the Insolvency and Bankruptcy Code, 2016 which materially impact the business of the Company.
- c) There were no instances where your Company required the valuation for one time settlement or while taking loans from the

Banks or Financial Institutions.

Particulars regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo Information as required to be disclosed on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as Annexure G.

CHAPTER-4

SWOT ANALYSIS

4.1 Strengths of Apollo Hospitals

Some of the main strengths in the swot analysis of Apollo Hospitals are as follows;

Renowned Brand

Apollo Hospitals is a renowned and well-recognized brand name in the healthcare industry by offering quality services to its customers and patients. The brand name helps the company to charge premium prices from its customers relevant to the other brands in the healthcare industry.

Qualified Staff

Apollo Hospitals has got a good infrastructure, qualified staff, nurses, the latest equipment, clean building, and 24-hour service. The company makes sure that its doctors, nurses, and other healthcare staff have got relevant degrees, certificates, licenses, and experience to work in its healthcare facilities.

Product Portfolio

The healthcare company offers a wide range of products and services to its customers in various segments and categories. A vast product portfolio helps the company to diversify its earnings and revenue stream from various sources. In other words, the healthcare brand is not relying on one product or service as its earning source.

Market Leader

Apollo Hospitals has achieved a market leadership role in the healthcare industry. It allows the company to launch new products and services in the market to amplify its market share and strengthen its position.

Vast Geographic Network

Apollo Hospitals has got a vast network of hospitals. They all have the expertise in providing quality healthcare service to their customers in various geographic regions across the world; primarily focusing on India.

High Profitability

Revenue, earning, and profitability are the key indicators of measuring success for any brand. The profitability of Apollo Hospitals has been increasing consistently for the past few years relevant to its competitive brands in the industry.

4.2 Weaknesses of Apollo Hospitals

Some of the key weaknesses in the swot analysis of Apollo Hospitals are as follows;

Easy Business Model

A chain network of Hospitals and pharmacies is an easy-to-launch business model that Apollo Hospitals is following it. Any wealthy entrepreneur or group of them could enter the healthcare industry, and create a chain of hospitals in various cities. The healthcare company's business model is not unique and different.

Costly

Apollo Hospitals is facing the challenge of running high costs by offering quality world-class. But the premium quality and premium price are unaffordable for many people. However, ordinary and working-class people don't choose this hospital as their primary choice when it comes to utilizing the healthcare service.

High Turnover

The healthcare company attracts the world's top-class doctors and healthcare service providers and makes them a part of Apollo due to its recognized brand name. But those doctors want higher salary packages; as soon as they get it from anywhere else, they would accept it without considering it twice.

No Presence in Suburbs

It is no doubt Apollo Hospitals has a chain network, but you can only find it in the main cities and not in the suburbs and small towns. A vast majority of people are living in suburban areas and they can't approach the Apollo Hospital when they get sick and need the healthcare service.

4.3 Opportunities Available to Apollo Hospitals

Some of the available opportunities in the swot analysis of Apollo Hospitals are as follows;

Finding New Customer Base

The cost of healthcare is increasing in Western countries. It presents a great opportunity for Apollo Hospitals to expand its business operations in western countries and find a new customer base there. Due to the currency exchange difference, the healthcare service cost of Apollo Hospital would be very low for western people.

Creating New Service

Apollo Hospitals should consider expanding its service portfolio by offering more services relevant to the healthcare industry. It would allow the company to attract more customers with its latest offers. Ultimately, it would increase the company's service portfolio.

Demanded Products

Apollo Hospitals has established a market position of being a premium brand by offering premium service quality to its customers. If the company could shift its focus on the highly demanded lower-end products and services, then it would help the healthcare brand to attract significant customer market care and increase its profitability.

4.4 Threats to Apollo Hospitals

Some of the main threats in the swot analysis of Apollo Hospitals are as follows;

Political Unrest

World's leading political powers like China, the US, and Europe have got conflicting relations when it comes to trade policies. Since Apollo Hospitals is also a multinational brand

and trades its healthcare products and services in various. The political unrest could impact the growth and expansion of the company.

Limited Skilled Workforce

When it comes to recruiting qualified and well-experienced staff and doctors, they are limited in numbers. The focus of every top-class brand is to hire them and take advantage of their expertise in their healthcare facility. However, those professionals are aware of their worth and value and they want higher salaries and benefits.

Competition

The latest innovation in technology is paving the way for growth and development in the medical industry. It has given rise to the establishment of new healthcare companies employing the latest technology and new approaches. In other words, Apollo Hospitals has to face more competition in the healthcare industry, and it would impact the company's profitability and customer base.

CHAPTER-5

FINDINGS, SUGGESTIONS AND CONCLUSION

5.1 Findings

- In the year 2020-21 the current ratio is 4.56, in the year 2021-22 it increases to 20.36, in the year 2022-23 it decreases to 3.13.
- In the year 2020-21 the quick ratio is 4.30, in the year 2021-22 it increases to 20.24 and in the year 2022-23 it decreases to 2.99.
- The debt-equity of the corporation is reducing every year. It is the good sign for the organization. 2:1 is considered as standard or ideal debt-equity ratio. However, the debt is more than 2 times the equity therefore, the financial structure of the organisation is weak so the risk of long term creditor is relatively more.
- The proprietary ratio of Apollo Hospitals is higher than the ideal ratio therefore the financial is strong.
- This can be clear with the help of above table i.e., in case of 2020-21 the return on capital employed ratio is (-0.01) but in the year 2021-22 it increases to 0.004, in the year 2022-23 it increases to 0.006, Hence it shows the efficiency of the Apollo Hospitals is normal.
- The net profit ratio for the past 3 years are -12.16, 3.59 and 2.40 in the year 2020-21, 2021-22 and 2022-23 respectively. This can shows that there is no ideal ratio, but it should achieve high ratio.
- Total asset turnover ratio is in the year 2020-21 it is 0.12, in the year 2021-22 it is 0.13 and in the year 2022-23 it is 0.18. The analysis shows that the Apollo Hospitals is achieving the growth in 2022-23.

5.2. Suggestions

As observed earlier in the findings, the present position of Apollo Hospitals is good, but it can be even better. It may be useful to Apollo Hospitals improve its performance if the following suggestions are implemented.

- The debt equity ratio of the Apollo Hospitals is high, which is threatening to Apollo Hospitals. Hence, Apollo Hospitals should maintain debt equity ratio according to the standard norms.

- The capital employed ratio has been maintained according to the standard format, but it is to be maintained consistently.
- The proprietary ratio maintained by Apollo Hospitals is satisfactory. But the performance decreased by year to year. Apollo Hospitals need to increase its proprietary ratio for the better performance.
- Even though the current ratio is satisfactory, Apollo Hospitals has to maintain the same in future. There is consistent performance in fixed assets investment. It is not good for the Apollo Hospitals.

5.3 Conclusion

Company analysis is a necessary function in the effective management of a company. It is important to regularly evaluate the reports available for financial statement analysis and the procedures being performed. If your company is not effectively analyzing its internal financial reports and comparing operating results to others within the industry, then management does not have the necessary data for proper decision-making. This puts the company at a competitive disadvantage to other companies that are performing more effective financial statement analysis.

During the period of analysis I have tried to go through the in depth study of financial analysis of Apollo. To conclude this topic, I would like to say that though both the hospitals are the large group of India. The staff here is good and full of young blood, which performs their duties very well. Cash management and receivable management are also good because of centralized control on these. Overall the hospitals phenomenal growth is result of constant innovations, a close watch on costs and dynamic leadership of group chairman, characterized by an ethos of entrepreneurship, of right attitudes and building stronger relationship with investors, partners, vendors, dealers and customers.

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