

APOLLO HEALTHCO LIMITED

ANNUAL REPORT

2023-24

## CORPORATE INFORMATION

### BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

|                             |   |
|-----------------------------|---|
| Ms. Shobana Kamineni        | Chairperson                                       |
| Ms. Sangita Reddy           | Director  |
| Mr. Vinayak Chatterjee      | Independent Director                              |
| Dr. Indu Bhushan            | Independent Director                              |
| Ms. Velagapudi Kavitha Dutt | Independent Director (w.e.f. April 01, 2024)      |
| Ms. Upasana Konidela        | Director  |
| Mr. Pottipati Aditya Reddy  | Director  |
| Mr. Madhivanan Balakrishnan | Chief Executive Officer (w.e.f. January 20, 2024) |
| Mr. Sanjiv Gupta            | Chief Financial Officer                           |
| Mr. Ashish Garg             | Company Secretary (w.e.f. February 03, 2024)      |

### BOARD COMMITTEES

| Audit Committee                      | Nomination & Remuneration Committee (NRC) | Corporate Social Responsibility (CSR) Committee |
|--------------------------------------|---|---|
| Mr. Vinayak Chatterjee (Chairperson) | Mr. Vinayak Chatterjee (Chairperson)      | Dr. Indu Bhushan (Chairperson)                  |
| Ms. Shobana Kamineni                 | Ms. Shobana Kamineni                      | Ms. Upasana Konidela                            |
| Dr. Indu Bhushan                     | Ms. Sangita Reddy                         | Ms. Shobana Kamineni                            |
|                                      | Dr. Indu Bhushan                          |   |

### STATUTORY AUDITORS

M/s. Deloitte Haskins & Sells,  
Chartered Accountants, Bengaluru

### BANKERS

Axis Bank  
Canara Bank  
HDFC Bank  
HSBC Bank

### REGISTRAR & SHARE TRANSFER AGENT

M/s. Integrated Registry Management Services Private Limited, Chennai

### REGISTERED OFFICE

No.19, Bishop Gardens,  
Raja Annamalaipuram,  
Chennai – 600 028

### CIN

U85110TN2020PLC135839

## BOARD'S REPORT

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Dear Members,

The Board of Directors are pleased to present the 4<sup>th</sup> Annual Report of your Company together with the Audited Financial Statements for the Financial Year ended, March 31, 2024.

### The State of the Company Affairs

Apollo 24|7 is India's largest end-to-end omni channel healthcare service ecosystem. It combines Apollo's legacy of clinical excellence and research with cutting-edge technology to make superior healthcare experiences more accessible and affordable for people in India. At Apollo 24|7, our vision is to provide best-in-class service levels and a continuum of care to our users –doctor consultations, quality medicines, booking diagnostics at home, follow-up consultations, hospital visits and even long-term condition management; Apollo 24|7 acts as a companion throughout. It offers a full suite of distinctive and dedicated digital healthcare offerings that are fully integrated to serve as a comprehensive health management platform. Since its launch in June 2020, Apollo 24|7 has built a base of 33+ million registered users and a doctor network of 7,335+.

Through the Apollo 24|7 app or website, users can consult with a doctor from the comfort of their homes, without having to visit a clinic or hospital. The platform has a team of experienced doctors from various specialties, who are available for consultation 24x7. In addition to teleconsultation, Apollo 24|7 also offers medicine delivery services, which enable users to order medicines online and have them delivered to their doorstep. They can also book diagnostic tests and health check-ups and get the reports online.

Beyond these services, what truly differentiates Apollo is the ability to provide best-in-class clinical intelligence, health records management service and chronic condition management tools. Apollo's Clinical Intelligence Engine (CIE) which has been built on real-world clinical data provides clinical decision support to doctors and addresses users' symptom queries. This is at par with leading Clinical Decision Support System platforms globally. Users can also easily upload and manage all their health records in a secure HealthVault with Apollo 24|7. Diabetic users can also manage their condition via Apollo 24|7's diabetes management tool which allows them to log and track their glucose levels with support from health coaches and doctors.

Apollo 24|7 has successfully emerged as the fastest-growing technology platform since its launch and covers 19000+ pin codes for delivering pharmacy orders. Presently, Apollo 24|7 delivers 37,000+ medicine orders per day across the country in a seamless fashion. Apollo 24|7, which is already the most widely used tele-consult platform in India, continues to scale rapidly with introduction of new offering around Insurance.

Apollo 24|7 will also offer health insurance options, chronic condition management and well-being companion services. The platform also comes with Clinical AI solutions. Going forward, Apollo 24|7 will provide artificial intelligence-based health predictions and

become the center of a 360-degree healthcare continuum. The platform will evolve into a fully integrated digital ecosystem which will completely satisfy consumer's healthcare needs across the spectrum.

While Apollo 24|7 is the digital business segment (B2C) of your Company. Pharmacy Distribution is another business segment (B2B) which deals into supply of various products such as Pharma, Generics, Surgical, FMCG, and Private Labels to 6030 pharmacy shops of Apollo Pharmacies Limited (APL) on daily basis.

In Pharmacy distribution your Company supply more than 70,000+ Pharma SKU's and in FMCG 10,000+ SKU's across various categories from the FMCG, Ayurvedic and Holland & Barrett (H & B) manufacturers.

In Private Label, we have identified and developed more than 650+ SKUs through the market intelligence, across various categories like VHMS (Vitamins, Herbal Minerals & Supplements), Personal Care products which include Hygiene, skin care, Health Foods, Health Devices etc. and sell them to Apollo Pharmacies Limited (APL).

#### Financial Highlights

*in INR Million*

| Particulars                            | Standalone                   |                              | Consolidated                 |                              |
|--|------------------------------|------------------------------|------------------------------|------------------------------|
|  | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
| Revenue from Business Operations       | 78,268.55                    | 67,044.74                    | 78,268.55                    | 67,044.74                    |
| Other Income                           | 9.07                         | 7.74                         | 9.07                         | 7.74                         |
| Total Revenue                          | 78,277.62                    | 67,052.48                    | 78,277.62                    | 67,052.48                    |
| Total Expenses                         | 80,233.45                    | 69,711.14                    | 80,233.45                    | 69,711.14                    |
| Profit/(Loss) before Tax               | (1,955.83)                   | (2,658.66)                   | (1,955.83)                   | (2,658.66)                   |
| Less :Tax (Current & Deferred)         | (0.9)                        | (123.65)                     | (0.9)                        | (123.65)                     |
| Net Profit/Loss after Tax              | (1,956.70)                   | (2,535.01)                   | (1,956.70)                   | (2,535.01)                   |
| Share of Profit/(Loss) from Associates | N.A.                         | N.A.                         | 0.00                         | (268.43)                     |
| Profit for the year                    | (1,956.70)                   | (2,535.01)                   | (1,956.70)                   | (2,803.44)                   |

|  |            |            |            |            |
|--|------------|------------|------------|------------|
| Other Comprehensive Income                           | (2.60)     | 3.48       | (2.60)     | 3.03       |
| Total Other Comprehensive Income/(Loss) for the year | (1,959.30) | (2,531.53) | (1,959.30) | (2,800.41) |
| Total Profit as % of Total Revenue                   | (2.50%)    | (3.78%)    | (2.50%)    | (4.18%)    |
| Earnings per share (Basic) (In INR)                  | (198.25)   | (355)      | (198.25)   | (393)      |
| Earnings per Share (Diluted) (In INR)                | (198.25)   | (355)      | (198.25)   | (393)      |

Note: The above figures are extracted from the Financial Statements

#### Share Capital of the Company

##### Authorised Share Capital:

The Authorised Share Capital of the Company as on March 31, 2024 is INR 450 Crore divided into 4,50,000,000 (Forty Five Crore) Equity Shares of INR 10/- (Rupees Ten) each. The Authorised Share Capital of the Company was increased from INR 25 Crore to INR 450 Crore on March 23, 2024.

##### Paid-up Share Capital:

The Paid-up Share Capital of the Company as on March 31, 2024, is INR 9.87 Crores divided into 98,70,000 (Ninety Eight Lakhs Seventy Thousand) Equity Shares of INR 10/- (Rupees Ten) each.

###### a. **Buy back of securities**

There was no buy back of securities made by the Company during the financial year 2023-24.

###### b. **Sweat Equity Shares**

The Company has not issued any Sweat Equity Shares during the financial year 2023-24.

###### c. **Bonus Shares**

No bonus shares were issued during the financial year 2023-24.

**d. Employee Stock Option Plan**

Pursuant to the approval of the Board and the members of the Company and in terms of the provisions of applicable laws, your Company has duly implemented the 'Apollo Healthco Limited- Equity Based Incentive Plan 2022' (Plan).

A statement containing relevant disclosures pursuant to Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 are set out as **Annexure -1**.

**Material changes and commitments or changes in the nature of business**

The Company had, on April 26, 2024, entered into an Investment Agreement with Apollo Hospitals Enterprise Limited (AHEL), Ms. Shobana Kamineni, Whole time director of the Company and Rasmeli Limited (Rasmeli) in connection with the following transactions:-

- (i) Primary investment of an aggregate amount of INR 24,750 million by Rasmeli into the Company in two tranches, for the acquisition of a stake of 16.9% of the issued and paid-up share capital of the Company on a fully diluted basis, and subsequent dilution of the AHEL's stake in Company.
- (ii) Acquisition by the Company of an aggregate of 11.2% of the issued and paid-up share capital of Keimed Private Limited ("Keimed"), in two tranches, on a fully diluted basis by way of purchase from Ms. Shobana Kamineni, for an aggregate purchase consideration of INR 6,254.33 million and primary investment of INR 999.99 million by the Company into Keimed.
- (iii) Amalgamation of Keimed with and into the Company (Company being the surviving entity)

The completion of the transactions contemplated in the aforesaid agreements are subject to requisite statutory and regulatory approvals and approval of the shareholders of the Company.

There have been no other material changes and commitments affecting the financial position of the Company or any change in the nature of the business, which has occurred between the end of the financial year to which the financial statements relate and the date of this Report.

**Deposits**

During the financial year, the Company has neither invited nor accepted or renewed fixed deposits from the public in terms of provisions of Section 73 of the Companies Act 2013 read with the Companies (Acceptance of Deposits) Rules 2014.

### **Registered Office**

There was no change in the address of the Registered Office of the Company.

### **Dividend**

The Board of Directors of your Company, after considering holistically the relevant circumstances, has decided that it would be prudent, not to recommend any dividend for the financial year 2023-24.

### **Transfer to Reserves**

The particulars of the transfer to reserves are disclosed in the financial statements of the Company.

### **Consolidated Financial Statements**

In accordance with the Companies Act, 2013 and Ind AS 110 – Consolidated Financial Statements read with Ind AS 28- Investment in Associates, the audited consolidated financial statements form part of the Annual Report.

### **Companies which have become or ceased to be Subsidiaries, Associates and Joint Ventures**

As on March 31, 2024, the Company has no Subsidiary (ies) or Joint Venture Company (ies). Apollo Medicals Private Limited is the only associate of the Company.

### **Report on the performance and financial position of the Subsidiaries, Associates and Joint Ventures**

In terms of proviso to sub -section (3) of section 129 of the Act, the salient features of the financial statements of the Associate Company, Apollo Medicals Private Limited are set out in the prescribed Form AOC-1, which forms part of this Report as **Annexure - 2**.

### **Particulars of Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013**

The particulars of loans provided and investments made by the Company are disclosed in the financial statements of the Company.

### **Particulars of Contracts or Arrangements with related parties**

During the year ended March 31, 2024, the Company has entered into contracts/arrangements/transactions with related parties on an arm's length basis which are in the ordinary course of business. The details of aforesaid transactions carried out during the financial year are provided in the accompanying financial statements. The details of the material contracts or Arrangements with related parties are stated in Form

AOC-2 as **Annexure-3** to this Report.

### **Board of Directors and Key Managerial Personnel**

#### ***A. Board Composition***

##### **Appointment /Resignation of Directors on the Board**

During the financial year ended March 31, 2024, Ms. Shobana Kamineni was appointed as Whole Time Director on the recommendation of the Nomination and Remuneration Committee and with the approval of the shareholders at the Annual General Meeting held on August 07, 2023, for a period of 3 years w.e.f. April 01, 2023 to March 31, 2026.

#### ***B. Retirement by Rotation***

Pursuant to provisions of Section 152 of the Companies Act 2013 Ms. Sangita Reddy, who retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment.

#### ***C. Key Managerial Personnel***

Following Key Managerial Personnel's were appointed during the year:

- i. Ms. Shobana Kamineni was appointed as Whole Time Director of the Company w.e.f. April 01, 2023.
- ii. Mr. Madhivanan Balakrishnan was appointed as Chief Executive Officer of the Company w.e.f. January 20, 2024.
- iii. Mr. Ashish Garg was appointed as Company Secretary of the Company w.e.f. February 03, 2024.

### **Meetings of the Board**

During the Financial Year 2023-24, the Board met six times. The meetings of the Board were held periodically as per the provisions prescribed under section 173(1) of the Companies Act, 2013.

### **Board Committees**

#### ***Audit Committee***

The Committee comprises of Mr. Vinayak Chatterjee (Chairperson), Ms. Shobana Kamineni and Dr. Indu Bhushan.

During the year, all recommendations made by the Audit Committee were accepted by the Board.

### **Nomination & Remuneration Committee**

The Committee comprises of Mr. Vinayak Chatterjee (Chairperson), Ms. Shobana Kamineni, Ms. Sangita Reddy and Dr. Indu Bhushan.

### **Corporate Social Responsibility Committee**

The Committee was re-constituted on August 01, 2024 and the Committee comprises of Dr. Indu Bhushan (Chairperson), Ms. Upasana Konidela and Ms. Shobana Kamineni.

### **Independent Directors' Declaration**

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and further, there has been no change in the circumstances affecting their status as Independent Directors of the Company. The Company has also received a declaration from all the Independent Directors that they have registered their names in the Independent Directors Data Bank.

### **Company's Policy Relating to Directors Appointment, Payment of Remuneration, Discharge of Duties and their performance evaluation**

The Board has on the recommendation of the Nomination & Remuneration Committee, approved a policy for selection and appointment of Directors, Senior Management personnel, their remuneration and performance evaluation. The Nomination & Remuneration Policy is available on the website of the Company at <https://images.apollo247.in/files/Nomination%20and%20Remuneration%20Policy.pdf>

### **Board Evaluation**

Annual performance evaluation of the Board, its Committees and Individual Directors pursuant to the provisions of the Companies Act, 2013 have been carried out. The performance of the Board and its committees was evaluated based on the criteria like composition and structure, effectiveness of processes, information and functioning etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of the Individual Directors on the criteria such as contribution of the Individual Directors to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairperson was also evaluated on the key aspects of her role.

### **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: -

- (i) that in the preparation of the annual financial statements for the year ended March 31, 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (ii) that such accounting policies have been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of the affairs of the Company as at March 31, 2024, and of the profit of the Company for the year ended on that date;
- (iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- (iv) that the annual financial statements for the financial year ended March 31, 2024, have been prepared on a going-concern basis;
- (v) that systems to ensure compliance with the provisions of all applicable laws are in place and are adequate and operating effectively.

#### **Details of Internal Financial control with reference to the Financial Statements**

The Company has an internal control system and processes in place with reference to Financial Statements which provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements. The internal financial control system is commensurate with the size, scale and complexity of its operations. The internal controls over financial reporting have been identified by the management and are checked for effectiveness across all locations and functions by the management on a sample basis.

#### **Statement concerning the development and implementation of the Risk Management Policy of the Company**

Your Company is exposed to a range of risks and uncertainties due to the digital nature of the business and the increasing scale of operations since its inception.

Your Company takes all efforts to identify various kinds of risks such as cyber security, operational disruptions, reputational issues etc. and has the appropriate mitigants to take care of such risks.

It also has a comprehensive business continuity plan to take care of any kind of eventualities on an on-going basis.

The Company also implements processes that continuously raise risk awareness and foster a risk-management culture within the organisation.

In the opinion of the Board, there are no significant risks that may threaten the existence of the Company.

### Particulars of employees as required under Section 197 of Companies Act, 2013

As required under sub-rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the details of employees are not applicable.

### Disclosure as per Schedule V of the Companies Act, 2013

#### Remuneration of the Executive Directors for the financial year 2023-24

| in INR Million                 |                     |
|--------------------------------|---------------------|
| Name of the Executive Director | Total Remuneration* |
| Ms. Shobana Kamineni           | 40                  |

\*Apart from the aforesaid remuneration, variable pay of an amount of INR 30.60 million was approved by the Nomination & Remuneration Committee and Board of Directors in their meeting held on May 25, 2024 for the financial year 2023-24 and will be paid during the financial year 2024-25.

The tenure of office of Ms. Shobana Kamineni, the Whole-time Director of the Company, is 3 (three) years from the date of her appointment. She is also eligible for re-appointment. Further, no service contracts, notice period and severance fees is applicable.

#### Remuneration of the Non-Executive Directors for the Financial Year 2023-24

| in INR Million         |             |              |                    |
|------------------------|-------------|--------------|--------------------|
| Name of the Director   | Sitting Fee | Commission** | Total Remuneration |
| Mr. Vinayak Chatterjee | 1.4         | 2            | 3.4                |
| Dr. Indu Bhushan       | 1.5         | 2            | 3.5                |
| <b>Total</b>           | <b>2.9</b>  | <b>4</b>     | <b>6.9</b>         |

\*\*Apart from the aforesaid Commission, a commission of INR 0.83 million was paid to each of the aforesaid Independent Director, during the financial year 2023-24 pertaining to the financial year 2022-23.

During the year, there were no other pecuniary relationships or transactions of Non-Executive Directors with the Company. The Company has not granted any stock options to its Non-Executive Directors.

### Statement on compliance of Secretarial Standards

The Company has complied with the Secretarial Standards on meetings of the Board of Directors and general meetings issued by the Institute of Company Secretaries of India.

## Conservation of energy, technology absorption and foreign exchange earnings and outgo

### Conservation of energy:

The operations of the Company are not energy intensive. However, significant measures are taken to reduce energy consumption by using energy-efficient computers and purchasing energy-efficient equipment.

### Technology Absorption:

In its continuous endeavour to serve the patients better and to further strengthen and foster the continuum of care to the patients, your Company has introduced the latest technology in its operations. Details of the same are mentioned below:

**Healthcare India Pharmaceutical Registry (HIPAR):** Launched HIPAR which is an Indian drug data platform which captures information like drug-drug, drug-food, drug-disease interactions. It captures information about 70K+ pharma SKUs sold in India. HIPAR currently checks these interactions and therefore helps promote drug usage safety for customers who purchase medicines and avail of digital consultations via Apollo2417.

**Clinical Intelligence Engine (CIE):** Launched the next version of CIE which incorporates knowledge of about 2000+ diseases and its relationships to medicines, symptoms, patient demographics, comorbidities, etc. via proprietary knowledge graph. CIE assists relevant clinical personnel with tasks like summarization of past health records, lab recommendations, differential diagnosis, etc.

**Digital Therapeutics:** Launched a digital therapeutics platform for diabetics where consumers can get personalized diet/activity/treatment recommendations, lifestyle coaching, doctor consultations based on their health profile. Platform integrates with devices like glucometers, fitness devices to help create a holistic and personalized view for both the consumer and treating physicians.

### Foreign exchange earnings and outgo

*in INR Million*

| Particulars            |          | As on March 31, 2024 | As on March 31, 2024 |
|------------------------|----------|----------------------|----------------------|
| Foreign inflow/earning | Exchange | 0                    | 0                    |
| Foreign outgo/Expenses | Exchange | 96.18                | 60.43                |

### Prevention of Sexual Harassment at Workplace

Your Company is committed to provide a healthy environment to all its employees and thus has zero tolerance for any discrimination and/or harassment in any form. The

Company has in place a Prevention of Sexual Harassment (POSH) policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee ("Committee" or "ICC") has been constituted where complaints can be made by the aggrieved employees. During the Financial Year ended March 31, 2024, no cases were reported under the policy.

#### **Statutory Auditors**

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants having registration No. (FRN:001749S) were appointed as the Statutory Auditors of the Company for a period of 5 years in the 2<sup>nd</sup> Annual General Meeting held on August 25, 2022 till the conclusion of the 7<sup>th</sup> Annual General Meeting to be held in the year 2027.

The report given by the Statutory Auditors on the financial statements of the Company for the year ended March 31, 2024 forms part of the Annual Report. The notes on financial statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments.

#### **Cost Auditors**

The Board had appointed M/s. A.N. Raman & Associates, Cost Accountants, to conduct Cost Audit for the financial year 2023-2024.

In accordance with the provisions of Section 148(1) of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, the Company has maintained cost records.

#### **Secretarial Auditors**

The Board had appointed M/s. Lakshmmi Subramanian & Associates, a firm of Company Secretaries in Practice, to conduct Secretarial Audit for the financial year 2023-2024. The Secretarial Audit Report for the financial year ended March 31, 2024, is annexed herewith as "**Annexure-4**".

#### **Statutory Auditors and Secretarial Auditors Report**

#### **Remarks of Statutory Auditor**

There is no qualification, reservation or adverse remark made by the statutory auditors in their reports for the year ended March 31, 2024.

#### **Remarks of Secretarial Auditor**

There is no qualification, reservation or adverse remark made by the secretarial auditors in their reports for the year ended March 31, 2024.

### **Reporting of fraud by Auditors**

During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditors have not reported any instances of fraud committed in the Company by its officers or employees under section 143(12) of the Companies Act, 2013.

### **Corporate Social Responsibility Initiatives**

The objective of the Company's Corporate Social Responsibility ('CSR') initiatives is to improve the quality of life of communities through long-term value creation for all stakeholders. The Company has in place a CSR policy which provides guidelines to conduct CSR activities of the Company. The CSR policy is available on the website of the Company at <https://newassets.apollo247.com/files/CSR%20Policy.pdf>

During the Financial year 2023-24, the Company has utilized the unspent amount of INR 2.70 Million pertaining to the Financial Year 2022-23, on CSR activities through implementing agencies, which has undertaken ongoing projects in the areas of Rural Development, Promoting Healthcare including preventive health check-up and Education & Skill Development. The Annual Report on CSR activities, in terms of Section 135 of the Companies Act, 2013 ('the Act') and the Rules framed thereunder, is annexed to this report as **Annexure-5**.

### **Vigil Mechanism and whistle- blower policy**

The Company has adopted and established a robust vigil/ whistle- blower mechanism and the whistle blower policy is available on the website of the Company at <https://newassets.apollo247.com/files/Whistle%20Blower%20Policy.pdf>

During the financial year under review, no complaints were reported.

### **Annual Return**

In terms of section 92(3) of the Companies Act, 2013 read with Section 134(3)(a) of the Act and Rule 12 of the Companies (Management & Administration) Rules, 2014, the Annual Return of the Company for the financial year 2023-24 is available on the website at <https://www.apollo247.com/config/Annual%20Return%202023-24.pdf>

### **Details of Significant and Material Orders passed by Regulator/Courts/Tribunals impacting the going concern status and Company's Operations in future**

During the year, there were no significant and material orders passed by the regulators, courts or tribunals, which impacts the going concern status of the Company.

#### **Proceeding under Insolvency and Bankruptcy Code and Onetime settlement**

- a) There are no proceedings initiated/pending against your Company under the Insolvency and Bankruptcy Code, 2016 which materially impact the business of the Company.
- b) During the year under review, the Company has not made any one-time settlement.

Other than the matters disclosed in this Report, there are no other events or transactions during the year that require disclosures to be made in terms of the provisions of Companies Act, 2013.

#### **Acknowledgement**

Your Directors wish to place on record their sincere appreciation to the contribution made by our employees to the continued growth of the Company. The Directors also express their appreciation to the banks and financial institutions for their continued support.

Place: Hyderabad

Date: August 01, 2024

**For and on behalf of the Board of Directors  
For Apollo Healthco Limited**



**Shobana Kamineni**  
Chairperson  
DIN:00003836

**ANNEXURE 1**

**Details of the Employees Stock Option Scheme pursuant to Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014**

| <b>S. No</b> | <b>Particulars</b>   | <b>No.</b>          |
|--------------|--|---------------------|
| A            | No. of options granted   | 1,23,924            |
| B            | No. of options vested  | 60,384              |
| C            | No. of options exercised   | NIL                 |
| D            | the total number of shares arising as a result of exercise of option   | NIL                 |
| E            | No. of options lapsed  | 21,751              |
| F            | the exercise price   | INR 10              |
| G            | Variation of terms of options  | NIL                 |
| H            | Money realized by exercise of options  | NIL                 |
| I            | Total number of options in force (a-e)   | 1,02,173            |
| j            | Employee wise details of options granted to -<br>(i) Key managerial personnel<br>(ii) Any other employee who receives a grant of options in any one year of option amounting to 5% or more of options granted during that year<br>(iii) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant | 5,922<br>NIL<br>NIL |

**ANNEXURE 2****Form No. AOC-1**

(Pursuant to first proviso of sub section (3) of section 129 read with  
Rule 5 of the Companies (Accounts) Rules, 2014

Statement containing salient features of the financial statements of Subsidiaries/  
Associate Companies/ Joint Ventures

**Part "A" - Subsidiaries – Not Applicable**

Name of subsidiaries which are yet to commence operations : NIL  
Name of subsidiaries that have been liquidated or sold during the year : NIL

**Part "B" - Associates & Joint Ventures**

**Statement pursuant to section 129(3) of the Companies Act, 2013 related to  
Associate Companies and Joint Ventures**

| S. No. | Name of Associate/Joint Venture  | Apollo Medicals Private Limited (AMPL)  |
|--------|--|---|
| 1      | Date of Last Audited Balance Sheet   | March 31, 2024  |
| 2      | Date on which associate was associated   | March 16, 2022  |
| 3      | Shares of Associate held by the Company on the year end-<br>a. Number<br>b. Amount of Investment<br>c. Extend of Holding % | (a) 3,65,92,500 equity shares of INR 10 each<br>(b) INR 365.92 Million<br>(c) 25.50 |
| 4      | Description of how there is significant influence  | On account of holding more than 20% Equity Shares in AMPL                           |
| 5      | Reason why the associate is not consolidated   | Not Applicable  |
| 6      | Net worth attributable to shareholding as per last audited Balance Sheet   | INR 0   |
| 7      | Profit/ (Loss) for the year<br>a. Considered in consolidation<br>b. Not considered in consolidation                        | NIL<br>INR (456.94) Million   |

Name of Associates or joint ventures which are yet to commence operations: **NIL**

Name of Associates or joint ventures that have been liquidated or sold during the year: **NIL**

Place: Hyderabad  
Date: August 01, 2024

**For and on behalf of the Board of Directors**

**For Apollo Healthco Limited**



**Shobana Kamineni**  
Chairperson  
DIN:00003836

ANNEXURE 3

**Form No. AOC-2**

(Pursuant to section 134 of the Companies Act, 2013 and  
Rule 8(2) of the Companies (Accounts) Rules, 2014

Form for Disclosure of particulars of contract(s)/arrangement(s) entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms -length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis. - NIL

2. Details of material contracts or arrangements or transactions at Arm's length basis:

| <b>Particulars</b>  | <b>Details</b>  | <b>Details</b>   |
|---|---|--|
| Name(s) of the related party & nature of relationship                                     | <b>Apollo Pharmacies Limited</b>  | <b>Keimed Private Limited</b>  |
| Nature of contracts / arrangements/ transaction   | Sale of Goods/ Recipient of services / Provision of Services  | Purchase of Goods  |
| Duration of the contract(s) / arrangement(s) / transaction(s)                             | 10 Years  | 10 Years   |
| Salient terms of the contracts or arrangements or transaction including the value, if any | The Company shall be the exclusive supplier of Pharmaceutical products with a credit period of 60 days. | The Company shall be the preferred buyer of Pharmaceutical products with a credit period of 45 days. |
| Date of approval by the Board   | 16.03.2022  | NA   |
| Amount paid as advances, if any   | NIL   | NIL  |

Place: Hyderabad

Date: August 01, 2024

**For and on behalf of the Board of Directors  
For Apollo Healthco Limited**



**Shobana Kamineni**  
Chairperson  
DIN:00003836

# Lakshmmi Subramanian & Associates

LAKSHMMI SUBRAMANIAN, B.Com., FCS

S. SWETHA, B.Com., FCS  
Practising Company Secretaries

## FORM MR-3

## SECRETARIAL AUDIT REPORT

For The Financial Year Ended On 31<sup>st</sup> March, 2024

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

To,

The Members,  
 APOLLO HEALTHCO LIMITED  
 19, Bishop Gardens, Raja Annamalaipuram,  
 Chennai, Tamil Nadu – 600028

We have conducted a Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by APOLLO HEALTHCO LIMITED having its registered office at 19, Bishop Gardens, Raja Annamalaipuram, Chennai, Tamil Nadu – 600028 (hereinafter called “**the Company**”) during the financial year from 01<sup>st</sup> April, 2023 to 31<sup>st</sup> March, 2024 (the year/ audit period/ period under review).

We conducted the Secretarial audit in a manner that provided us a reasonable basis for evaluating the Company’s corporate conducts/ statutory compliances and expressing our opinion thereon.

We are issuing this report based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management.

We hereby report that in our opinion, the Company has during the audit period covering the financial year ended on 31<sup>st</sup> March, 2024, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1.1. We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2024 according to the applicable provisions of:

- (i) The Companies Act, 2013 (‘the Act’) and the Rules made there under;
- (ii) Secretarial Standards (SS-1) on “Meetings of the Board of Directors” and Secretarial Standards (SS-2) on “General Meetings” issued by the Institute of Company Secretaries of India;
- (iii) The Depositories Act, 1996 and the Regulations bye-laws framed thereunder;
- (iv) The following material industry specific laws applicable to the Company, as identified and informed by the Management:

|    |  |
|----|--|
| 1. | Telemedicine Practice Guidelines   |
| 2. | The Drugs and Cosmetics Act, 1940 read with Medical Device Rules, 2017                   |
| 3. | The Drugs and Cosmetics Rules, 1945  |
| 4. | Information Technology Act, 2000 and Rules made thereunder                               |
| 5. | Food Safety and Standards Act, 2006 along with the Rules and Regulations made thereunder |
| 6. | Legal Metrology Act, 2009 and Rules made thereunder                                      |
| 7. | Insecticides Act, 1968   |



“Murugesa Naicker Office Complex”, 81, Greams Road, Chennai 600 006.

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- 1.2 In relation to the period under review, the Company has, to the best of our knowledge and belief and based on the records, information, explanations and representations furnished to us, complied with the laws mentioned in clause (i) to (iii) of paragraph 1.1 above.
- 1.3 Generally Complied with the laws specifically applicable to the Company mentioned in subparagraph (iv) of paragraph 1.1.
- 1.4. We are informed that, during/ in respect of the year no events have occurred which required the Company to comply with the following laws/ rules/ regulations and consequently was not required to maintain any books, papers, minutes books or other records or file any forms/ returns under:
  - a. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder;
  - b. The Securities and Exchange Board of India Act, 1992 and the Rules and Regulations made thereunder; and
  - c. The Securities Contract (Regulation) Act, 1956 and the Rules made thereunder.

## **2. Board Processes:**

We further report that:

- 2.1 The Board of Directors of the Company is duly constituted with proper balance of Directors including Non-Executive Directors and Independent Directors in accordance with the provisions of the Act.
- 2.2 There were no changes in the composition of the Board of Directors during the period.
- 2.3 Adequate notice is given to all directors to schedule the Board Meetings at least seven days in advance except where the meeting is called at a shorter notice and the agenda and notes on agenda were also circulated to the Board members prior to the meetings.
- 2.4 A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting; and
- 2.5 As per the minutes of the meeting duly recorded and signed by the Chairperson, Directors' views as expressed by the board members have been captured.

## **3. Compliance mechanism:**

We further report that:

- 3.1 There are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliance with all applicable laws including labour laws, environmental laws, and other Industrial specific laws applicable to the Company.
- 3.2 The compliance by the Company of applicable finance laws like Direct and Indirect tax laws has not been reviewed in this audit since the same have been subject to review by Statutory Financial Audit and other designated professionals.

## **4. Specific Events/ actions:**

We further report that during the audit period the following specific events/ actions having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc. took place:

- 4.1 Ms. Shobana Kamineni was appointed as Whole Time Director for a period of 3 years with effect from 1st April, 2023.
- 4.2 Mr. Madhivanan Balakrishnan was appointed as Chief Executive Officer with effect from 20th January, 2024



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- 4.3 Mr. Ashish Garg was appointed as Company Secretary with effect from 03rd February, 2024.
- 4.4 The Board of Directors and Shareholders of the Company in their meeting held on 23rd March, 2024 has approved the increase in authorized Share Capital from Rs. 25,00,00,000 (Rupees Twenty-Five Crore only) to Rs. 4,50,00,00,000 (Rupees Four Hundred and Fifty Crores only) and also approved the alteration in Memorandum of Association of the Company.
- 4.5 The Board of Directors and Shareholders of the Company in their meeting held on 23rd March, 2024 has approved the alteration in main objects clause of Memorandum of Association of the Company.
- 4.6 The Company has obtained approval for Borrowing Limits upto Rs. 1000 Crores (Rupees One Thousand Crore only), from the Shareholders pursuant to Section 180(1)(a) and(c) of the Companies Act, 2013.

Place: Chennai  
Date: May 25, 2024

For Lakshmmi Subramanian & Associates

Swetha Subramanian  
FCS: 10815  
CP No: 12512  
UDIN: F010815F000447020



**Annexure**  
**(To the Secretarial Audit Report of M/s. APOLLO HEALTHCO LIMITED**  
**LIMITED for the financial year ended on 31<sup>st</sup> March, 2024)**

To  
The Members  
APOLLO HEALTHCO LIMITED  
19, Bishop Gardens, Raja Annamalaipuram,  
Chennai, Tamil Nadu – 600028

Our Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2024 is to be read along with this Annexure.

1. Maintenance of Secretarial record and ensuring compliance with all applicable laws is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about financial information, the compliance of law, rules and regulation and happening of certain events etc.
5. The compliance of the provisions of other laws, rules, regulation, standards specifically applicable to the Company is the responsibility of the management. Our examination was limited to the verification of system implemented by the Company on a test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the effectiveness with which the management has conducted the affairs of the Company.

Place: Chennai  
Date: May 25,2024

For Lakshmmi Subramanian & Associates

Swetha Subramanian  
FCS: 10815  
CP No: 12512  
UDIN: F010815F000447020



## ANNEXURE 5

### ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR ENDED MARCH 31, 2024

#### 1. Brief outline on CSR Policy of the Company:

The Company has aligned a corporate social responsibility (CSR) policy in accordance with the provisions of section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 (CSR Rules), as amended, which outlines Company's CSR objectives and its implementation.

The Company carries out/ implements its CSR activities/projects through implementing agencies namely (a) Total Health (b) Billion Hearts Beating Foundation.

#### 2. Composition of CSR Committee:

**Date of Constitution of committee** – July 30, 2022

**Date of Re -constitution of committee**- February 03, 2023

**Composition of committee as on March 31, 2024:** Dr. Indu Bhushan (Chairperson), Mr. Cunteepuram Sreethar (Member) and Ms. Upasana Konidela (Member)

| S. No. | Name of Director         | Designation/ Nature of Directorship | Number of Meetings of CSR Committee held during the Year | Number of meetings of CSR Committee attended during the Year |
|--------|--------------------------|-------------------------------------|--|--|
| 1      | Dr. Indu Bhushan         | Chairperson                         | 1  | 1  |
| 2      | Ms. Upasana Konidela     | Member                              | 1  | 1  |
| 3      | Mr. Cunteepuram Sreethar | Member                              | 1  | 1  |

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: <https://newassets.apollo247.com/files/CSR%20Policy.pdf>
4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub rule (3) of rule 8, if applicable – **Not Applicable**
5. (a) Average net profit of the Company as per sub section (5) of section 135: **NIL**  
(b) Two percent of average net profit of the company as per sub section (5) of section 135: **NIL**  
(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **NIL**  
(d) Amount required to be set off for the financial year, if any: **NIL**  
(e) Total CSR obligation for the financial year [(b) + (c)-(d)]: **NIL**
6. (a) Amount spent on CSR Projects (both ongoing Project and other Project) :**NIL**  
(b) Amount spent in administrative heads: **NIL**  
(c) Amount spent on Impact assessment: **NIL**  
(d) Total amount spent for the Financial Year [(a) + (b) - (c)]: **NIL**

(e) CSR amount spent or unspent for the financial year:

| Total Amount Spent for the Financial Year | Total Amount transferred to Unspent CSR Account as per section 135(6) |                  |                  | Amount Unspent |                  |
|---|---|------------------|------------------|----------------|------------------|
|   | Amount  | Date of transfer | Name of the Fund | Amount         | Date of transfer |
| NIL                                       | NIL   | NA               | NA               | NA             | NA               |

(f) Excess Amount for set off, if any:

| S. No. | Particulars   | Amount (in Rs.) |
|--------|---|-----------------|
| (1)    | (2)   | (3)             |
| (i)    | Two percent of average net profit of the company as per sub-section (5) of section 135                      | NIL             |
| (ii)   | Total amount spent for the Financial Year   | NIL             |
| (iii)  | Excess amount spent for the Financial Year [(ii)-(i)]   | NIL             |
| (iv)   | Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any | NIL             |
| (v)    | Amount available for set off in succeeding Financial Years [(iii)-(iv)]                                     | NIL             |

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

| (1)     | (2)                         | (3)  | (4)  | (5)                                | (6)   | (7)   | (8)                |
|---------|-----------------------------|--|--|------------------------------------|---|---|--------------------|
| Sl. No. | Preceding Financial Year(s) | Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in Rs.) | Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs.) | Amount Spent in the Financial Year | Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any | Amount remaining to be spent in succeeding Financial Years (in Rs.) | Deficiency, if any |
| 1.      | 2022-23                     | Rs. 2.70 Million   | Rs. 2.70 Million   | Rs. 2.70 Million                   | NA  | NA  | NA                 |

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No**

If Yes, enter the number of Capital assets created/ acquired –**NA**

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

| Sl. No. | Short particulars of the property or asset(s) [including complete address and location of the property] | Pin code of the property or asset(s) | Date of creation | Amount of CSR amount spent | Details of entity/ Authority/ beneficiary of the registered owner |
|---------|---|--------------------------------------|------------------|----------------------------|---|
| (1)     | (2)   | (3)                                  | (4)              | (5)                        | (6)   |
| 1.      | NA  | NA                                   | NA               | NA                         | NA  |

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) – NA

|   |   |
|---|---|
|  |  |
| <b>Shobana Kamineni</b><br>Chairperson<br>DIN: 00003836                           | <b>Dr. Indu Bhushan</b><br>(Chairperson CSR Committee)<br>DIN: 09302960             |