

APOLLO HOSPITALS ENTERPRISE LIMITED

CIN : L85110TN1979PLC008035



12th April 2019

To
Saurabh Singh
Deputy Manager - Listing Compliance Department
National Stock Exchange of India Ltd.,
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Mumbai - 400 051
NSE Scrip Code: APOLLOHOSP

Dear Sir,

Ref: Letter dated April 1, 2019 received from the National Stock Exchange of India Limited

Sub: Requirements for in principle approval to Scheme of Arrangement between Apollo Hospitals Enterprise Limited (Transferor Company) and Apollo Pharmacies Limited (Transferee Company) and their respective shareholders (the Scheme).

Further to your letter dated April 1, 2019, we furnish the below documents:

Sr. No.	List of Documents/ details to be submitted	Remarks
1	Report from the Audit Committee recommending the Draft Scheme, taking into consideration, inter alia, the Valuation Report. (Kindly affix the company stamp on each and every page of the report.)	Please refer Appendix 1
2	Shareholding pattern in accordance with Regulation 31 (1) of the SEBI (LODR) Regulations, 2015 - for pre and post scheme of arrangement of all the companies involved in the scheme. (Landscape mode & additionally provide a separate document without PAN) (Kindly change the regulation to 31(1)(C) post SHP.)	Since the Scheme pertains to slump sale of a business undertaking from the Transferor Company to the Transferee Company, there would be no change in the capital structure of the listed entity. Hence, the provisions of regulation 31(1)(C) of SEBI (LODR) Regulations, 2015 are not applicable.
3	Audited financials of last 3 years (financials not being more than 6 months old) of unlisted	Please refer Appendix 2

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Regd. Office :
19, Bishop Gardens,
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Chennai - 600 028.

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Sr. No.	List of Documents/ details to be submitted	Remarks
	company as mentioned in the format enclosed in Annexure B. (Kindly mention in heading audited financials of Apollo Pharmacies Limited.)	
4	In case NSE is the DSE, kindly provide the documents/undertaking as per Annexure I. (Kindly provide the dated report.)	Please refer Appendix 3
5	Rationale behind Scheme of Amalgamation/Merger/Demerger/Arrangement/Capital Reduction/Resulting Company seeking listing. (Kindly provide the dated Rationale.)	Please refer Appendix 4
6	Confirmation by the Company Secretary as per format enclosed as Annexure F. (Kindly rectify clause of draft scheme for e-voting in point no.4 of the report.)	Please refer Appendix 5
7	Brief details of the transferee/resulting and transferor/demerged companies as per format enclosed at Annexure E. (kindly provide the dated report.)	Please refer Appendix 6
8	Detailed Compliance Report as per the format specified in Annexure IV of SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017. (Format enclosed in Annexure D) (Kindly provide the name of entities in last para of the report. Also rectify point b reference from (I)(A)(2) to (I)(A)(3).)	Please refer Appendix 7
9	Auditor's Certificate as per Para 1(A)(5) of Annexure-I of SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017. (Format enclosed in Annexure C) (Kindly provide auditor certificate as per the format the as per Para 1(A)(5) of Annexure-I of SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017)	Please refer Appendix 8



[Handwritten Signature]

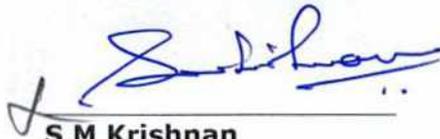
We trust the above documents/ clarifications meets with your requirements and accordingly request you to provide necessary "**No Objection**" at the earliest to enable us to file the Scheme with the NCLT.

If you require any further clarifications/ information, we would be happy to provide the same.

Thanking you,

Yours faithfully,

For **Apollo Hospitals Enterprise Limited**



S M Krishnan
Company Secretary and Compliance Officer



Encl.: As above

APOLLO HOSPITALS ENTERPRISE LIMITED

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**REPORT OF THE AUDIT COMMITTEE OF APOLLO HOSPITALS ENTERPRISE LIMITED
DATED 14TH NOVEMBER 2018**

MEMBERS:

1. Mr. G. Venkatraman, Chairman
2. Dr. T. Rajgopal, Member and
3. Mr. Vinayak Chatterjee, Member

1. Background:

The Company has placed before the Audit Committee the draft Scheme of Arrangement between Apollo Hospitals Enterprise Limited and Apollo Pharmacies Limited and their respective shareholders ("Scheme") under Sections 230 to 232 of the Companies Act, 2013 and shall include any statutory modifications, re-enactment or amendments thereof, with appointed date 01st April 2019 for recommendation as required under Securities and Exchange Board of India ('SEBI') Circular No. CIR/CFD/DIL3/CIR/2017/21 dated 10th March 2017 and any other circular thereafter ('the Circular').

This report of the Audit Committee is made in order to comply with the requirements of the aforesaid Circular(s) after considering the following necessary documents:

1. Draft Scheme
2. Valuation report dated 13th November 2018 issued by BSR & Co LLP; and
3. Fairness opinion dated 14th November 2018 issued by ICICI Securities Limited.



G. Venkatraman

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2. Proposed Scheme of Arrangement:

- The Scheme provides for transfer of divestment business through slump sale from the Company to Apollo Pharmacies Limited
- The Appointed Date for the Scheme is 01st April, 2019.
- The Audit Committee noted that the Scheme would result into the following benefits:
 - I) In case of the Company:
 - Unlocking value for the Company by sale of part of its assets;
 - Strengthening the balance sheet of the Company; and
 - Pursue growth opportunities in line with its strategic directions.
 - II) In case of the Apollo Pharmacies Limited
 - Creation of value for shareholders by acquiring ready-to use assets, including business undertakings and reducing time to markets.

3. Recommendation of the Audit Committee:

The Audit Committee recommends the Scheme for favourable consideration by the Stock Exchanges and the Securities and Exchange Board of India.

For and on behalf of the Audit Committee of Apollo Hospitals Enterprise Limited

XG V. Aravind

Member of the Committee



14th November 2018

Chennai

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Apollo Pharmacies Limited

The Financial details for the previous 3 years as per the Audited Statement of Accounts:

Name of the Company: **Apollo Pharmacies Limited**

(Rs. in Crores)

Particulars	As at 31st December, 2018	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
	(Provisional)	2017-2018	For the period 08-07-2016 to 31-03-2017	-
Equity Paid up Capital	0.05	0.05	0.05	-
Reserves and surplus	-0.031	-0.012	-0.009	-
Carry forward losses			-	-
Net Worth	0.019	0.038	0.041	-
Miscellaneous Expenditure				-
Secured Loans				-
Unsecured Loans	-	0.009	0.007	-
Fixed Assets				-
Income from Operations				-
Total Income				-
Total Expenditure	-0.018	0.003	0.009	-
Profit before Tax	-0.018	-0.003	-0.009	-
Profit after Tax	-0.018	-0.003	-0.009	-
Cash profit	-0.018	-0.003	-0.009	-
EPS (in INR)	-3.688	-0.693	-1.758	-
Book value per share of Rs. 10/- each (in INR)	0.0019	0.0038	0.0041	-

Note:

1. The financials should not be more than 6 months old. In such cases additional column may be added to provide the latest financials.

For Apollo Pharmacies Limited



S OBUL REDDY
DIRECTOR

Place: Chennai
Date: 22/03/2019

APOLLO HOSPITALS ENTERPRISE LIMITED

CIN : L85110TN1979PLC008035

**DOCUMENTS – ANNEXURE I**

1. Details of Directors and Promoters of all the companies involved in the scheme. – refer Annexure 1 and 1A
2. Undertaking that the transferee entity will not issue/reissue shares not covered under the draft scheme. – not applicable
3. Undertaking that as on date of application there are no outstanding warrants/instruments/agreements which give right to any person to take the equity shares in the transferee entity at any future date. - not applicable
4. Pre and post Scheme shareholding pattern in below Format for all companies - involved in the scheme (kindly add columns if more than two). – refer Annexure 2

For Apollo Hospitals Enterprise Ltd.

S.M. KRISHNAN

Vice President - Finance & Company Secretary

Place: Chennai
Date: 22/03/2019

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Brief details of the Promoter and Board of Directors of Transferee Company

List of Promoters of Apollo Hospitals Enterprise Limited (Transferor Company)

Sl.No.	Name	PAN
1	Dr. Prathap C Reddy	AAGPP9786N
2	Ms. Sucharitha Reddy	AASPS4292G
3	Ms. Preetha Reddy	AAEPR5656F
4	Ms. Suneeta Reddy	AAEPR4602H
5	Ms. Shobana Kamineni	AAIPK7589G
6	Ms. Sangita Reddy	AASPS6786K
7	Mr. P. Vijayakumar Reddy	ACKPV5876B
8	Mr. P. Dwarkanath Reddy	AFDPD9806R
9	Mr. Anil Kamineni	ADOPK8701D
10	Mr. K. Vishweshwar Reddy	AFAPK2686M
11	Mr. Karthik Anand Reddy	AAIPK7446A
12	Mr. Harshad Reddy	AAEPR7068K
13	Ms. Sindoori Reddy	AZXPS0987L
14	Mr. Adithya Reddy	AAEPA4731C
15	Ms. Upasana Kamineni	ARLPK5199G
16	Ms. Anushpala Kamineni	BDNPK5996G
17	Mr. Puansh Kamineni	BXWPK5553N
18	Mr. Anindith Reddy	BBOPK4349C
19	Mr. Viswajith Reddy	CEQPK7898C
20	Mr. Viraj Madhav Reddy	CEQPK7897P
21	PCR Investments Limited	AAACP6407D
22	Obul Reddy Investments Ltd	AAACO4050H
23	Indian Hospitals Corporation Ltd	AABCI6463P

Place: Chennai

Date: 22/03/2019

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For Apollo Hospitals Enterprise Ltd.

S.M. KRISHNAN

Vice President - Finance & Company Secretary

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APOLLO HOSPITALS ENTERPRISE LIMITED

CIN : L85110TN1979PLC008035



List of Board of Directors of Apollo Hospitals Enterprise Limited (Transferor Company)

No	Name	Designation	DIN	PAN
1.	Dr. Prathap C Reddy	Executive Chairman	00003654	AAGPP9786N
2.	Ms. Preetha Reddy	Executive Vice Chairperson	00001871	AAEPR5656F
3.	Ms. Suneeta Reddy	Managing Director	00001873	AAEPR4602H
4.	Ms. Shobana Kamineni	Executive Vice Chairperson	00003836	AAIPK 7589G
5.	Ms. Sangita Reddy	Joint Managing Director	00006285	AASPS 6786K
6.	Mr.N. Vaghul	Director	00002014	AADPV 0297K
7.	Mr.G.Venkatraman	Director	00010063	ACXPG 9182G
8.	Mr. Vinayak Chatterjee	Director	00008933	AABPC2139H
9.	Dr.T.Rajgopal	Director	02253615	AABPT2347Q
10.	Dr. Murali Doraiswamy	Director	08235560	AEWPP1353F
11.	Mr. MBN Rao	Director	00287260	AADPN0586D
12.	Ms. V. Kavitha Dutt	Director	00139274	AAAPD6737H

Place : Chennai
Date : 22nd March 2019

For Apollo Hospitals Enterprise Ltd.

S.M. KRISHNAN
Vice President - Finance & Company Secretary

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Brief details of the Promoter and Board of Directors of Transferee Company

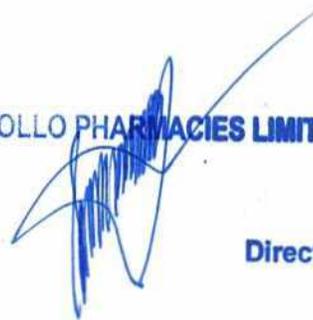
List of Promoters of Apollo Pharmacies Limited (Transferee Company)

Sr.No	Name	PAN
1	M/s. Apollo Medicals Private Limited	AARCA3046L

List of Board of Directors of Apollo Pharmacies Limited (Transferee Company)

Sr.No	Name	DIN	PAN
1	Mrs. Shobana Kamineni	00003836	AAIPK7589G
2	Ms. Anuspala Kamineni	07486388	BDNPK5996G
3	Mr. S Obul Reddy	00027829	AABPO5418P
4	Mr. P Jayakumar	07506688	AGTPP8096J

For APOLLO PHARMACIES LIMITED



Director

Place: Chennai
Date: 22/03/2019

APOLLO HOSPITALS ENTERPRISE LIMITED

Pre and post Amalgamation / Arrangement shareholding pattern in of all companies involved in the scheme

			Apollo Hospitals Enterprise Limited (Transferor Company)			
Sr	Description	Name of Shareholder	Pre-arrangement		Post-arrangement	
			No. of shares	%		
(A)	Shareholding of Promoter and Promoter Group					
1	Indian					
	Individuals/ Hindu Undivided Family	Names of Promoter				
		Dr. Prathap C Reddy	54,45,464	3.91	54,45,464	3.91
		Ms. Sucharitha P Reddy	5,69,800	0.41	5,69,800	0.41
		Ms. Preetha Reddy	21,93,915	1.58	21,93,915	1.58
		Ms. Suneeta Reddy	33,81,695	2.43	33,81,695	2.43
		Ms. Shobana Kamineni	22,39,952	1.61	22,39,952	1.61
		Ms. Sangita Reddy	24,32,508	1.75	24,32,508	1.75
		Mr. Karthik Anand	3,30,600	0.24	3,30,600	0.24
		Mr. Harshad Reddy	3,20,200	0.23	3,20,200	0.23
		Ms. Sindoori Reddy	5,18,600	0.37	5,18,600	0.37
		Mr. Aditya Reddy	2,10,200	0.15	2,10,200	0.15
		Ms. Upasana Kamineni	2,17,276	0.16	2,17,276	0.16
		Mr. Puansh Kamineni	2,12,200	0.15	2,12,200	0.15

For Apollo Hospitals Enterprise Ltd.


S.M. KRISHNAN
 Vice President - Finance & Company Secretary

		Ms. Anuspala Kamineni	2,59,174	0.19	2,59,174	0.19
		Mr. Konda Anindith Reddy	2,30,200	0.17	2,30,200	0.17
		Mr. Konda Vishwajit Reddy	2,22,300	0.16	2,22,300	0.16
		Mr. Konda Viraj Madhav Reddy	1,68,224	0.12	1,68,224	0.12
		Mr. Vijay Kumar Reddy	8,957	0.01	8,957	0.01
		Mr. Dwaraknath Reddy	18,000	0.01	18,000	0.01
		Mr. Anil Kamineni	20	0.00	20	0.00
		Mr. K Vishweshwar Reddy	15,77,350	1.13	15,77,350	1.13
(b)	Central Government/ State Government(s)	Name s				
(c)	Bodies Corporate	Names				
		M/s. PCR Investments Ltd	272,23,124	19.57	272,23,124	19.57
		M/s. Obul Reddy Investments Pvt Ltd	11,200	0.01	11,200	0.01
		M/s. Indian Hospitals Corporation Ltd	61,704	0.04	61,704	0.04
(d)	Financial Institutions/ Banks					
(e)	Any Others					
	Sub Total(A)(1)		478,52,663	34.40	478,52,663	34.40
2	Foreign					
(a)	Individuals (Non- Residents Individuals/ Foreign Individuals)					
(b)	Bodies Corporate					
(c)	Institutions					
(d)	Any Others					
	Sub Total(A)(2)					

For Apollo Hospitals Enterprise Ltd.


S.M. KRISHNAN
Vice President - Finance & Company Secretary

	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)		478,52,663	34.40	478,52,663	34.40
(B)	Public shareholding					
1	Institutions					
(a)	Mutual Funds/ UTI		80,80,872	5.81	80,80,872	5.81
(b)	Financial Institutions / Banks		10,114	0.01	10,114	0.01
(c)	Central Government/ State Government(s)		3,23,708	0.23	3,23,708	0.23
(d)	Venture Capital Funds					
(e)	Insurance Companies		71,19,816	5.12	71,19,816	5.12
(f)	Foreign Institutional Investors		655,88,753	47.14	655,88,753	47.14
(g)	Foreign Venture Capital Investors					
(h)	Any Other					
	Sub-Total (B)(1)		811,23,263	58.31	811,23,263	58.31
2	Non-institutions					
(a)	Bodies Corporate					
(b)	Individuals					

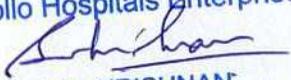
For Apollo Hospitals Enterprise Ltd.


S.M. KRISHNAN

Vice President - Finance & Company Secretary

I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 2 lakh		60,41,245	4.34	60,41,245	4.34
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.		10,63,915	0.76	10,63,915	0.76
(c)	Any Other		26,87,230	1.93	26,87,230	1.93
	Sub-Total (B)(2)		97,92,390	7.04	97,92,390	7.04
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)		909,15,653	65.35	909,15,653	65.35
	TOTAL (A)+(B)		1387,68,316	99.74	1387,68,316	99.74
(C)	Shares held by Custodians and against which DRs have been issued		3,56,843	0.26	3,56,843	0.26
	GRAND TOTAL (A)+(B)+(C)		1391,25,159	100.00	1391,25,159	100.00

Place: Chennai
Date: 22/03/2019

For Apollo Hospitals Enterprise Ltd.

S.M. KRISHNAN -
Vice President - Finance & Company Secretary

Pre and post Amalgamation / Arrangement shareholding pattern in of all companies involved in the scheme						
			Apollo Pharmacies Limited (Transferee Company)			
			Pre-arrangement		Post-arrangement	
Sr	Description	Name of Shareholder	No .of shares	%	No. of shares	%
(A)	Shareholding of Promoter and Promoter Group					
1	Indian					
	Individuals/ Hindu Undivided Family					
(b)	Central Government/ State Government(s)					
(c)	Bodies Corporate					
		M/s.Apollo Medicals Private Limited	49,993	99.99	143,499,993	99.99
(d)	Financial Institutions/ Banks					
(e)	Any Others					
	Sub Total(A)(1)		49,993	99.99	143,499,993	99.99
2	Foreign					
(a)	Individuals (Non- Residents Individuals/ Foreign Individuals)					

For Apollo Pharmacies Limited


S OBUL REDDY
DIRECTOR



Pre and post Amalgamation / Arrangement shareholding pattern in of all companies involved in the scheme						
			Apollo Pharmacies Limited (Transferee Company)			
			Pre-arrangement		Post-arrangement	
Sr	Description	Name of Shareholder	No .of shares	%	No. of shares	%
(b)	Bodies Corporate					
(c)	Institutions					
(d)	Any Others					
	Sub Total(A)(2)					
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)		49,993	99.99	143,499,993	99.99
(B)	Public shareholding					
	1 Institutions					
(a)	Mutual Funds/ UTI					
(b)	Financial Institutions / Banks					
(c)	Central Government/ State Government(s)					
(d)	Venture Capital Funds					
(e)	Insurance Companies					
(f)	Foreign Institutional Investors					
(g)	Foreign Venture Capital Investors					
(h)	Any Other					
	Sub-Total (B)(1)		-	0		

For Apollo Pharmacies Limited



S OBUL REDDY
DIRECTOR



Pre and post Amalgamation / Arrangement shareholding pattern in of all companies involved in the scheme						
			Apollo Pharmacies Limited (Transferee Company)			
			Pre-arrangement		Post-arrangement	
Sr	Description	Name of Shareholder	No. of shares	%	No. of shares	%
2	Non-institutions					
(a)	Bodies Corporate					
(b)	Individuals					
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 2 lakh		7	0.01	7	0.01
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.					
(c)	Any Other					
	Sub-Total (B)(2)					
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)		7	0.01	7	0.01
	TOTAL (A)+(B)					
(C)	Shares held by Custodians and against which DRs have been issued					
	GRAND TOTAL (A)+(B)+(C)		50,000	100.00	143,500,000	100.00

For Apollo Pharmacies Limited

S OBUL REDDY
DIRECTOR



Place: Chennai
Date: 22/03/2019

RATIONALE AND BENEFITS OF THE SCHEME

The Board of Transferor Company believe that the business of front end retail pharmacy carried out at standalone pharmacy has matured to a stage that it requires greater business attention and possesses high growth potential, independent of the hospitals business. Further, the Board of Transferor Company believe that the risks and reward associated with each of the aforesaid business verticals is different. Hence, the Transferor Company have proposed to enter into this Scheme to enable its management to develop focussed business verticals. The Board of Transferor Company and Transferee Company are of the opinion that the arrangement under this Scheme would result in benefit to members, creditors and employees of each of Transferor Company and Transferee Company.

The transfer of the Divestment Business pursuant to this Scheme would inter alia result in the following benefits:

I) In case of the Transferor Company:

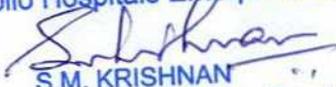
- Divesting standalone pharmacy business and utilizing the proceeds towards growth and enhancement of other existing businesses;
- Enhancing strategic flexibility to build a viable platform solely focusing on each of the businesses; and
- Enable dedicated management focus, resources and skill set allocation to each business, which will in turn accelerate growth and unlock value for the shareholders.

II) In case of the Transferee Company:

- Creation of value for shareholders by acquiring ready-to use assets, including business undertakings and reducing time to markets;
- Strengthening and streamlining the Direct-to-Consumer (D2C) front end operations of the standalone retail pharmacies;
- Enhancing the private label business; and
- Enabling foray into Digital / Online Pharmacy.

Place: Chennai
Date: 22/03/2019

For Apollo Hospitals Enterprise Ltd.


S.M. KRISHNAN
Vice President - Finance & Company Secretary

APOLLO HOSPITALS ENTERPRISE LIMITED

CIN : L85110TN1979PLC008035



To,
 Manager - Listing Compliance
 National Stock Exchange of India Limited
 'Exchange Plaza'. C-1, Block G,
 Bandra Kurla Complex, Bandra
 (E), Mumbai - 400 051

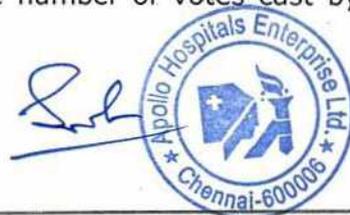
Dear Sir,

Sub: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed Scheme of Arrangement of Apollo Hospitals Enterprise Limited and Apollo Pharmacies Limited and their respective shareholders (hereinafter referred to as 'the Scheme')

In connection with the above application, we hereby confirm that:

1. The proposed scheme of arrangement to be presented to any Court or Tribunal does not in any way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956 / Companies Act, 2013, the rules, Regulations and guidelines made under these Acts, the provisions as explained in Regulation 11 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 and the requirements of SEBI circulars and Stock Exchanges.
2. The draft scheme of arrangement together with all documents mentioned in SEBI circular has been disseminated on company's website as per the link given hereunder:
https://www.apollohospitals.com/apollo_pdf/draft_scheme_of_arrangement.pdf
3. The company shall disclose the observation letter of the stock exchange on its website within 24 hours of receiving the same.
4. The company shall obtain shareholders' approval by way of special resolution passed through postal ballot/ e-voting as mentioned in clause 22.1.iii, of the draft scheme.

Further, the company shall proceed with the draft scheme only if the vote cast by the public shareholders in favor of the proposal is more than the number of votes cast by public shareholders against it.



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APOLLO HOSPITALS ENTERPRISE LIMITED

CIN : L85110TN1979PLC008035



5. In case of Unlisted company/ies being involved in the Scheme of Arrangement:
 - a. The Company shall include the applicable information pertaining to the unlisted entity/ies involved in the scheme in the format specified for abridged prospectus, certified by a SEBI Registered Merchant Banker, as provided in Part E of Schedule VI of SEBI (ICDR) Regulations, 2018 in the explanatory statement or notice or proposal accompanying resolution to be passed sent to the shareholders while seeking approval of the scheme and the same shall be submitted to Stock Exchanges.
 - b. The percentage of shareholding of pre-scheme public shareholders of the listed entity and the Qualified Institutional Buyers (QIBs) of the unlisted entity, in the post scheme shareholding pattern of the "merged" company on a fully diluted basis shall not be less than 25%.
6. The documents filed by the Company with the Exchange are same/ similar/ identical in all respect, which have been filled by the Company with Registrar of Companies/SEBI/Reserve Bank of India, wherever applicable.
7. There will be no alteration in the Share Capital of the unlisted transferor company from the one given in the draft scheme of amalgamation/ arrangement.
8. The draft scheme is in compliance with all applicable SEBI circulars as amended from time to time and SEBI (LODR) Regulations, 2015.

For APOLLO HOSPITALS ENTERPRISE LIMITED

S.M. KRISHNAN
VICE PRESIDENT - FINANCE
AND COMPANY SECRETARY



Date: 22nd March 2019

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APOLLO HOSPITALS ENTERPRISE LIMITED

Brief particulars of Apollo Hospitals Enterprise Limited and Apollo Pharmacies Limited

CIN : L85110TN19791-PC000055

Sr. No	Particulars	Transferor Company	Transferee Company																								
1	Name of the company	Apollo Hospitals Enterprise Limited (AHEL)	Apollo Pharmacies Limited (APL)																								
2	Exchange(s) Listed on	The National Stock Exchange of India (NSE) and the Bombay Stock Exchange (BSE)	NA																								
3	Designated Stock Exchange	NSE																									
4	Scheme Provides for	This scheme provides for the transfer of the front end standalone pharmacy business (Divestment Business) of AHEL to APL on a going concern basis by way of a Slump Sale in accordance with section 2(42C) of the IT Act.																									
5	Consideration	Rs. 527.80 crores																									
6	Will any of the unlisted companies seek listing pursuant to Rule 19(2)(b) of SEBI (SCRR), 1957	No																									
7	Report of Audit Committee	Audit Committee report dated 14 November 2018 has recommended the draft scheme for favourable consideration.	NA																								
8	Valuation Report from Independent Chartered Accountant	The consideration to be discharged pursuant to the scheme of arrangement has been derived based on Valuation report dated 13 November 2018 issued by BSR & Associates LLP.																									
9	Fairness opinion by Merchant Banker	ICICI Securities Limited, Merchant Banker, in its fairness opinion dated 14 November 2018 has opined that the valuation of the Divestment Business as recommended by the valuer is fair.																									
10	Pre and post scheme Shareholding Pattern of the listed Company	<p>Pre Scheme Shareholding Pattern:</p> <table border="1"> <thead> <tr> <th>Category</th> <th>No. of shares</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Promoter</td> <td>4,78,52,663</td> <td>34.40%</td> </tr> <tr> <td>Public</td> <td>9,12,72,496</td> <td>65.60%</td> </tr> <tr> <td>Total</td> <td>13,91,25,159</td> <td>100%</td> </tr> </tbody> </table> <p>Post-amalgamation shareholding pattern:</p> <table border="1"> <thead> <tr> <th>Category</th> <th>No. of shares</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Promoter</td> <td>4,78,52,663</td> <td>34.40%</td> </tr> <tr> <td>Public</td> <td>9,12,72,496</td> <td>65.60%</td> </tr> <tr> <td>Total</td> <td>13,91,25,159</td> <td>100%</td> </tr> </tbody> </table>		Category	No. of shares	%	Promoter	4,78,52,663	34.40%	Public	9,12,72,496	65.60%	Total	13,91,25,159	100%	Category	No. of shares	%	Promoter	4,78,52,663	34.40%	Public	9,12,72,496	65.60%	Total	13,91,25,159	100%
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		Post-amalgamation shareholding pattern:		
		Category	No. of shares	%
		Promoter	14,34,99,993	99.99
		Public	7	0.000001
		Total	14,35,00,000	100%
13	Minimum public shareholding in all the companies pre and post amalgamation is in compliance with Regulation 38 of SEBI (LODR) Regulations, 2015 ('Listing Regulations')	Yes	NA	
14.	Approval of shareholders through postal ballot and e-voting	The scheme is conditional upon approval by the public shareholders of the Transferor Company through postal ballot and e-voting. The Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it as required under the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 issued by SEBI		NA
15	Compliance with Regulation 11 of the Listing Regulations	AHEL has vide letter dated 22 nd March 2019 confirmed that the proposed scheme of amalgamation to be presented to any court or Tribunal does not in any way violate or override or circumscribe the provisions of SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956/2013, the rules, Regulations and guidelines under the Acts, the provisions as explained in Regulation 11 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or the requirements of SEBI Circulars and stock exchanges.		
16	Statutory Auditor's certificate confirming the compliance of the accounting treatment as specified in Para (I)(5)(a) of the SEBI Circular	Deloitte Haskins & Sells LLP, Statutory Auditors of AHEL, have provided the certificate dated 20 th March 2019, confirming the accounting treatment as per SEBI circular	Karra & Co, Statutory Auditors of APL, have provided the certificate dated 27 th November 2018, confirming the accounting treatment as per SEBI circular	
17	Compliance Report as per net SEBI Circular	Compliance Report as per the SEBI Circular has been submitted along with the application filed with NSE	NA	
18	Net Worth (Rs. In crores)	AHEL	APL	
	Pre	Rs. 1796.82 crores	Rs. 0.04 crores as on 31 st March 2018	
	Post	Rs. 1878.28 crores	Rs. 143.46 crores (refer Appendix 9A)	

[Handwritten Signature]



19	Capital before the scheme (No. of equity shares as well as capital in rupees)	No of equity shares: 13,91,25,159 Amount: Rs. 695,625,795	No of equity shares: 50,000 Amount: Rs.500,000
	No. of shares to be issued	NA	NA
	Cancellation of shares on account of cross holding, if any	NA	NA
	Capital after the scheme (No. of equity shares as well as capital in rupees)	No of equity shares: 13,91,25,159 Amount: Rs. 695,625,795	No of equity shares: 14,35,00,000 Amount: Rs. 1435,000,000/- (after the scheme is approved by NCLT)

For Apollo Hospitals Enterprise Ltd.


S.M. KRISHNAN

Vice President - Finance & Company Secretary

Place: Chennai

Date: 22/03/2019

APOLLO HOSPITALS ENTERPRISE LIMITED

To, **CIN : L85110TN1979PLC008035**
 The General Manager
 Department of Corporate Services
 National Stock Exchange of India Limited
 'Exchange Plaza'. C-1, Block G,
 Bandra Kurla Complex, Bandra (E),
 Mumbai - 400 051

22nd March 2019

Re: **Compliance Report**

It is hereby certified that the Scheme of Arrangement between Apollo Hospitals Enterprise Limited and Apollo Pharmacies Limited does not, in any way violate, override or limit the provisions of securities laws or requirements of the Stock Exchange(s) and the same is in compliance with the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR/CFD/DIL3/CIR/2017/21 dated March 10, 2017, including the following:

Sl.	Reference	Particulars
1	Regulations 17 to 27 of LODR Regulations	Corporate governance requirements
2	Regulation 11 of LODR Regulations	Compliance with securities laws
Requirements of SEBI Circular No. CIR/CFD/DIL3/CIR/2017/21		
(a)	Para (I)(A)(2)	Submission of documents to Stock Exchanges
(b)	Para (I)(A)(3)	Conditions for schemes of arrangement involving unlisted entities
(c)	Para (I)(A)(4) (a)	Submission of Valuation Report
(d)	Para (I)(A)(5)	Auditors certificate regarding compliance with Accounting Standards
(e)	Para (I)(A)(9)	Provision of approval of public shareholders through e-voting

Company Secretary

Managing Director

Certified that the transactions/ accounting treatment provided in the scheme of arrangement involving Apollo Hospitals Enterprise Limited and Apollo Pharmacies Limited is in compliance with all the Accounting Standards applicable to a listed entity.

Chief Financial Officer

Managing Director

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The Board of Directors
Apollo Hospitals Enterprise Limited
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Independent Auditor's Certificate certifying the accounting treatment contained in the Proposed Scheme of Arrangement between Apollo Hospitals Enterprise Limited, Apollo Pharmacies Limited and their respective shareholders under Sections 230 to 232 of the Companies Act, 2013 including any statutory modifications, re-enactment or amendments thereof

1. This certificate is issued in accordance with the terms of our engagement letter containing reference VB/AHEL/DM-EL/001A/2018-19 dated April 03, 2019.
2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of Apollo Hospitals Enterprise Limited ("the Company" / "Transferor Company"), have examined the proposed accounting treatment specified in Clause 16 in the proposed Scheme of Arrangement (hereinafter referred as "the proposed Scheme") between the Company and Apollo Pharmacies Limited ("Transferee Company") and their respective shareholders pursuant to the provisions of Sections 230 to 232 and other relevant provisions of the Companies Act, 2013, as may be applicable, with reference to its compliance with the applicable Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the rules made there under.

Management's responsibility

3. The responsibility for the preparation of the proposed Scheme and its compliance with the relevant laws and regulations, including SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder and the applicable Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the rules made there under as aforesaid, is that of the Board of Directors of the Companies involved. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Scheme and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Auditor's responsibility

4. Our responsibility is only to examine and report whether the accounting treatment referred to in Clause 16 of the proposed Scheme referred to above comply with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder, as applicable and the applicable Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the rules made there under. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. The Appointed Date for the purpose of this certificate is considered as April 1, 2019 or such other date as may be approved by the Competent Authority or any other appropriate authority, as defined in Clause 1.4 of the proposed Scheme.
5. We carried out our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India (ICAI) and Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate. This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by (ICAI).

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements. Further our examination did not extend to any other parts and aspects of a legal or proprietary nature in the aforesaid Scheme.

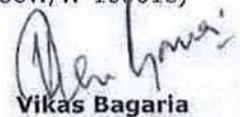
Opinion

7. Based on our examination and according to the information and explanations given to us, we are of the opinion that the accounting treatment contained in Clause 16 of the proposed Scheme, is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder and the applicable Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the rules made there under.
8. For ease of references, Clause 16 of the Scheme, duly authenticated on behalf of the Company, is reproduced in Annexure 1 to this Certificate and is initialed by us only for the purposes of identification.
9. We refer to our certificate containing Reference No. VB/AHEL/DM/001/2018-19 and UDIN 19060408AAAAAG3099 dated March 20, 2019 ("the earlier certificate") certifying the accounting treatment contained in the proposed Scheme as reproduced in Annexure 1 to this Certificate. The earlier certificate has now been revised in response to the letter received by the Company from the National Stock Exchange of India Limited (addressed to The Company Secretary, Apollo Hospitals Enterprise Limited, containing Ref: NSE/LIST/20446 dated April 01, 2019). With the issuance of this revised certificate, our earlier certificate stands withdrawn.

Restriction on use

10. This certificate is issued at the request of the Management of the Company pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for onward submission by the Company to the Stock Exchange(s) and to the National Company Law Tribunal. This Certificate should not be used for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Vikas Bagaria
Partner
(Membership No. 060408)

Place: Bengaluru
Date : April 12, 2019
Ref : VB /AHEL/DM/001A/2018-19
UDIN: 19060408AAAAAH3942

APOLLO HOSPITALS ENTERPRISE LIMITED

CIN : L85110TN1979PLC008035



Annexure 1

Relevant extract of Clause 16 of the proposed Scheme of arrangement between Apollo Hospitals Enterprise Limited, Apollo Pharmacies Limited and their respective shareholders under Sections 230 to 232 of the Companies Act, 2013 including any statutory modifications, re-enactment or amendments thereof

16 Accounting treatment in the books of the Transferor Company

16.1 Upon the Scheme becoming effective, Transferor Company shall reduce the book value of Divestment Assets and Divestment Liabilities pertaining to the Divestment Business transferred to Transferee Company.

16.2 The surplus or deficit, if any, arising out of the difference between the book value of the Divestment Assets and Divestment Liabilities of the Divestment Business transferred to Transferee Company and the consideration received by Transferor Company as per clause 13 above, in lieu of such transfer shall be recognised in Profit and Loss account.

16.3 The Board of Directors will take necessary steps to ensure that the Scheme is in compliance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013, read with the rules made there under.

For Apollo Hospitals Enterprise Limited

S M Krishnan
Vice President - Finance and Company Secretary

Place : Chennai
Date : Apr 12, 2019.

Per our certificate containing

Ref: VB/AHEL/DM/001A/2018-19
UDIN : 19060408AAAAAH3942
and dated Apr 12, 2019



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