

Apollo Hospitals Enterprise posts Rs 169-cr net profit for Mar quarter



Healthcare chain [Apollo Hospitals](#) Enterprise Ltd on Wednesday reported a consolidated net profit of Rs 169.89 crore for the fourth quarter ended March 31, 2021.

The company, which posted a consolidated net profit of Rs 209.60 crore in the corresponding quarter of the previous fiscal, also announced a re-organisation with the formation Apollo HealthCo, with the aim of "creating India's largest omni-channel healthcare platform".

Consolidated revenue from operations in the fourth quarter stood at Rs 2,867.95 crore in the quarter under review. It was Rs 2,922.43 crore in the year-ago period, [Apollo Hospitals](#) Enterprise Ltd (AHEL) said in a regulatory filing.

For the fiscal ended March 31, 2021, the company said its consolidated net profit stood at Rs 136.77 crore. It was at Rs 431.80 crore in FY20.

Consolidated revenue from operations for FY21 was at Rs 10,560.01 crore. It was at Rs 11,246.80 crore in FY20, the filing said.

The company said the divestment of its front-end retail pharmacy business in favour of Apollo Pharmacies Ltd (APL), a wholly-owned subsidiary of Apollo Medicals Pvt Ltd (AMPL) for an overall cash consideration of Rs 527.80 crore was effective from September 1, 2020.

Subsequently, the company said it invested Rs 36.5 crore and its ownership interest in AMPL changed to 25.50 per cent, resulting in loss of control with effect from September 1, 2020.

Hence, the figures for the quarter and year ended March 31, 2021 are not comparable with the figures for the corresponding period a year ago, the filing said.

AHEL further said its board on Wednesday approved the proposal to undertake transfer of pharmacy distribution business, including online technology platform Apollo 24/7 on a slump sale basis and its shareholding in AMPL to its newly formed wholly-owned subsidiary -- Apollo HealthCo Ltd, for a proposed consideration of Rs 1,210 crore.

It is subject to receipt of requisite approvals from its shareholders, secured creditors and regulatory approvals, the company added.

Under the reorganisation, AHEL's identified business undertakings, including back-end offline pharmacy business (excluding hospital-based pharmacies); digital healthcare platform Apollo 24/7; its investment in retail pharmacy business -- AMPL, and the 'Apollo 24/7' brand, the 'Apollo Pharmacy' brand and private label brands will transferred to Apollo HealthCo Ltd (AHL).

The filing further said Apollo HealthCo Ltd has been incorporated to carry on the business of rendering technology lead healthcare services. This helps people manage their health and health data and dealing and transacting in all types of pharma, healthcare products and FMCG goods through online mode, it added.

AHL represents Apollo group's "transformational journey towards creating India's largest omni-channel healthcare platform", the company said.

"This platform will combine the strengths of Apollo Group's offline healthcare leadership with Apollo Group's new-age digital offerings to address all healthcare consumer needs," it added.

AHEL Executive Vice-Chairperson Shobana Kamineni said, "The advent of the digital era has revolutionised healthcare as (we) know it, and will define its future. The [Apollo Hospitals](#) Group, as the first adopter of modern healthcare, is perfectly positioned to be at the forefront of this transformation."

She further said, "Through our app, Apollo 24/7, we deliver medicines, consults and diagnostic services to people at their homes. This omni-channel approach has allowed us to serve over 27 crore people over the last 500 days."

AHEL said it has consistently maintained that the offline pharmacy business will continue to grow to 5,000 stores and maintain a healthy revenue growth rate of 18-20 per cent in the next 3 years. The margin trajectory of this business remains intact.

"Apollo 24/7, which is already the highest-earning tele-consult platform in India, continues to scale rapidly with an 'asset light approach' and with the aspiration to achieve 100 million registered users in 5 years," the company added.

It further said, "We believe the growth of AHL (and Apollo 24/7) will present a huge potential to serve healthcare consumers into AHEL as a whole, and will give accelerated momentum to all of AHEL's healthcare verticals, by delivering an integrated and seamless omni-channel experience.

[Apollo Hospitals](#)