

29th October 2013

The Secretary,
National Stock Exchange,
Exchange Plaza, 5th Floor
Plot No.C/1, 'G' Block
Bandra - Kurla Complex
Bandra (E)
Mumbai - 400 051.
Scrip Code- APOLLOHOSP
ISIN INE437A01024

Dear Sir

Sub : News Item appearing in "The Business Line & Economic Times"

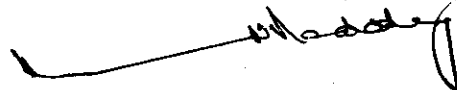
This is with reference to the news item appeared in the "The Business Line" and "Economic Times", we wish to clarify that the transaction is only between PCR Investments Limited, the promoter family holding company and Kohlberg Kravis Roberts (KKR), New York based global alternatives assets manager, for investment into PCR Investments Limited by way of non convertible debentures. It is not related to the Company and hence we had not informed to the stock exchanges as per clause 36 of the listing agreement.

We would further like to provide the factual details as per the annexure enclosed.

Kindly take note of the same in your records.

Thanking you,

Yours faithfully,
For APOLLO HOSPITALS ENTERPRISE LIMITED



L. LAKSHMI NARAYANA REDDY
SR. GENERAL MANAGER - SECRETARIAL

IS/ISO 9001:2000

APOLLO HOSPITALS ENTERPRISE LIMITED

General Office : "Ali Towers", IIIrd Floor, #55, Greams Road, Chennai - 600 006. Tel : 044 - 28290956, 28293896, 2829 3333
Extn : 6681, Telefax : 044 - 2829 0956 Email : apolloshares@vsnl.net Website : www.apollohospitals.com

Regd. Off. : 19, Bishop Gardens, Raja Annamalaipuram, Chennai - 600 028.

Annexure -

**PARTICULARS OF THE TRANSACTION BETWEEN
KKR AND PCR INVESTMENTS LIMITED**

Kohlberg Kravis Roberts (KKR), New York based global alternatives assets manager, has entered into a partnership involving a Rs. 550 cr. long-term investment by way of Structured Debt, together with its affiliates and select investors, in PCR Investments Ltd, the promoter family holding company for Apollo Hospitals Enterprises Ltd.

The said amount will be utilized for reducing the debt at the holding company.

The said Investment is in the form of Non-convertible Debentures, redeemable at the end of 5 years either through settlement in cash or through Apollo Hospitals Shares held by the Promoters. The instruments do not carry any coupon but are redeemable with a premium with an annualized floor yield of 7.25%.

The Promoters hold 34.35% in Apollo Hospitals Enterprise Ltd, which includes the holding of 18.42% held through PCR Investments Ltd.

Sanjay Nayar, CEO for KKR India said "KKR has a history of successful investments in the healthcare sector globally, including in market-leading businesses like Hospital Corporation of America and Alliance Boots, and we are very excited with the opportunity to partner with Dr. Reddy and family who have created one of India's finest healthcare businesses. This partnership that has been initiated through our alternative credit business in India, will pave the way for a much broader engagement between us as partners."

Dr. Pratap C. Reddy, Chairman of the Apollo Hospitals Group said "This transaction is the culmination of very involved deliberations with the clear intent of working together to create long term value for the group and reflects our philosophy of partnering with players who have a long term view and deep understanding of the healthcare space"

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