



Summer Internship Project 2022



REPORT TITLE

Analysis on Credit Management System of Amri
Hospitals

Submitted by

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INTERNAL GUIDE CERTIFICATE

This is to certify that the project report entitled " Analysis on Credit Management System with special reference to Amri Hospitals, Bhubaneswar" has been prepared by Aditya Kumar Das, Regd. No.- 1813258004 under my supervision and guidance, for the fulfillment of Master in Business Administration (Integrated). His work is satisfactory and appreciable.

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AMRI/BBSR/22-23/L/131

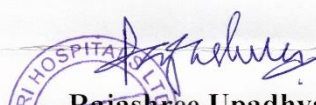

Date:-01.06.2022

TO WHOMSOEVER IT MAY CONCERN

This is to certify that **Mr. Aditya Kumar Das**, bearing **Reg. No. 1813258004**, a student of **Biju Patnaik Institute of Information Technology & Management Studies, Bhubaneswar** has sincerely & successfully completed his Internship Programme on the Topic "**Analysis On Credit Management**" in the department of **Finance** in **AMRI Hospitals, Bhubaneswar** a part of his course curriculum. The tenure of his Internship was from **15th April 2022 to 30th May 2022**.

We wish him all the best for his future endeavour.

For AMRI Hospitals,

Rajashree Upadhyaya
GM – Human Resources

DECLARATION

I Aditya Kumar Das, Student of Biju Patnaik Institute of IT and Management Studies, Bhubaneswar (BPUT Registration Number- 1813258004) have undergone Summer Internship Programme as an Intern/Trainee in Finance and Accounts at Amri Hospitals, Bhubaneswar.

The project work on 'Analysis on Credit Management System of Amri Hospitals'- With Special reference to Amri Hospitals, Bhubaneswar is an original work by me and hasn't been published in any other forum yet. The Sources of Information throughout the report have been acknowledged.

This Report work is for submission to Biju Patnaik Institute of IT and Management Studies, Bhubaneswar and Amri Hospitals, Bhubaneswar in the partial fulfillment of the requirement for the award of the degree of Masters in Business Administration (Integrated).

Aditya Kumar Das

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COMPANY OVERVIEW

AMRI Hospitals is a private hospital chain that is headquartered in the city of Kolkata, West Bengal, India. The company's head office is in Kolkata, West Bengal, with 3 units in Kolkata (Dhakuria, Salt Lake, and Mukundapur), 1 clinic in Kolkata (Southern Avenue), and 1 unit in Bhubaneswar in the Indian State of Odisha. The hospital had also opened a health center in Dhaka for its Bangladeshi patients. AMRI Hospitals Ltd is the premier private healthcare provider in Eastern India, with three super specialty hospitals at Dhakuria, Mukundapur, and Salt Lake, in Kolkata, a state-of-the-art daycare center on Southern Avenue in Kolkata, and another super specialty hospital at Bhubaneswar, Odisha. The Group takes care of around 3.5 lakh patients annually, conducting more than 15,000 successful surgeries, with a roster of more than 5,000 healthcare professionals. An impressive roster of more than 600 doctors and a well-trained force of nursing staff work tirelessly across more than 1,000 beds across its four hospitals, backed by advanced technologies and the latest equipment to treat people and save lives. With major changes and developments on its plate, the AMRI Group is headed towards a path of steady growth.

HISTORY

In the early 1990s, the Government of West Bengal was looking for a private operator to take charge of Niramoy, a state-owned polyclinic at Dhakuria. Accordingly, the rights of management were handed over to a city-based private player. Soon after, the Emami Group was invited on board, and the Advanced Medicare & Research Institute Ltd., a super specialty hospital, came into being, with the express purpose of offering quality healthcare.

AMRI Hospitals was co-founded by the Emami Group and Shrachi Group in 1996, two of Kolkata's developing groups, in a partnership with the Government of West Bengal to expand health coverage options for consumers. The AMRI Hospital is a center for training students from the Institute of Radiology and Medical Imaging, and it is ISO 9001:2000 certified.

In 2006, the promoter of AMRI Hospitals acquired Suraksha Hospitals and renamed it AMRI Hospitals, Salt Lake. After 2 years, the hospital was merged to leverage operational synergies by forming AMRI Hospitals.

In 2009, the hospital's name was officially changed to AMRI Hospitals Limited and within a short period, the Emami Group took control of the whole private healthcare group. The Emami Group acquired a 32% stake in Shrachi Group in AMRI Hospitals in the year 2014.

As the AMRI Hospitals emerged as a premier healthcare service provider, the growth was not just about doing things better than the others; it was about introducing a transformative experience. For the first time in Eastern India, the Group brought to the operating table the latest technologies, advanced equipment, high-class facilities, and the competence to synergize all these elements. The growth of AMRI Hospitals has become historically significant in the region, as it paved the path for private healthcare with a corporate approach.

ACHIEVEMENTS

- AMRI Hospitals was rated as a top healthcare organization in the eastern region of the country by AdvaHosp in collaboration with the World Health Organisation, Harvard Business Review, Joint Commission International, Mayo Clinic, and Boston Consulting Group.
- AMRI Hospitals, Mukundapur was awarded a "3-Star" rating by the Union Ministry of Power for excellence in energy conservation.
- AMRI Hospitals, Mukundapur officially launched Eastern India's first comprehensive Airway Clinic on 10 July 2018, where both children and adults, who are suffering from disorders affecting their air passage due to various reasons, will be treated.
- AMRI Hospital has been ranked as one of the best private hospitals in The Week-Hansa Survey 2018. Retaining its position among 'Best Private Hospital' in Kolkata, AMRI took it up by a notch by clinching the second rank as the 'Best Hospital' in the Eastern region, besides also ranking 2nd in the 'Best Private Hospital' category in Bhubaneswar.
- AMRI Hospitals, Bhubaneswar launched an advanced trauma care center (TCC) to facilitate timely life-saving medical care for road accident victims and other trauma patients
- AMRI Asian Cancer Institute of AMRI Hospitals- Bhubaneswar launched a unique initiative "URJA – AMRI Cancer Support" for supporting cancer patients and survivors across all its hospitals.
- AMRI Hospitals, Mukundapur extracted Eastern India's longest gallbladder from 63-year-old Tapati Bhowmik. With this, the hospital stayed inches away from creating a world record.
- AMRI Hospital Bhubaneswar completed its first cadaveric kidney transplantation on 26 February 2020.
- AMRI Hospital in Kolkata Introduces 'Virtual Visiting Hours' for Coronavirus patients, aims to make contact With kin easy amid lockdown.
- AMRI Salt Lake has set up 51 beds for COVID-19 patients. Other than AMRI Salt Lake, the state-run MR Bangur Hospital has set up 1,100 beds, while the new complex of Chittaranjan National Cancer Institute has 192 beds, with 82 more beds set up at the Infectious Diseases Hospital, Belegkata.¹

DEPARTMENTS

- Department of Aesthetic, Reconstructive & Plastic Surgery
- Department of AMRI Inst. Of Laboratory Sciences
- Department of Blood Bank & Transfusion Medicine
- Department of Cardiac Sciences
- Department of Clinical Psychology
- Department of Dentistry & Maxillo Facial Surgery
- Department of Dermatology
- Department of Emergency, Critical Care & Trauma Management
- Department of Endocrinology & Diabetology
- Department of Ent & Head Neck Surgery
- Department of Gastro Sciences
- Department of General And Minimally Invasive Surgery
- Department of Internal Medicine
- Department of IVF Centre
- Department of Nephrology
- Department of Neuro Sciences
- Department of Nuclear Medicine & Pet Ct
- Department of Obstetrics & Gynaecology
- Department of Onco Sciences
- Department of Ophthalmology
- Department of Orthopaedics & Joint Replacement
- Department of Paediatrics & Neonatology
- Department of Physiotherapy & Rehabilitation Medicine
- Department of Psychiatry
- Department of Pulmonology & Chest Medicine
- Department of Radiology & Interventional Radiology
- Department of Rheumatology

AMRI HOSPITALS BHUBANESWAR ODISHA



AMRI Hospitals Bhubaneswar, the largest healthcare service provider of Odisha, provides tertiary level clinical care, backed by a multidisciplinary team of medical fraternity with the finest state-of-art-technologies: available in Eastern India. With its state-of-the-art equipment and modern facilities, AMRI is ensuring that people from Eastern India are provided affordable high quality medical care in the region, so that patients need not travel to other parts of the country for medical treatment.

The hospital boasts of internationally-acclaimed Physicians and Consultants, associated on full-time basis, ensuring highest standards of clinical services, backed by a dedicated and hardworking team of medical and paramedical staff, which is among the most in Eastern India. AMRI Hospitals-Bhubaneswar, a 400-bedded multi-speciality hospital has been providing round-the-clock clinical care, backed by multi-disciplinary team of medical experts with state-of-the-art facilities since 2014. AMRI Hospitals-Bhubaneswar has become a name to reckon with for providing high quality, technology-backed services at affordable rates.

AMRI Hospitals-Bhubaneswar received the prestigious NABH (National Accreditation Board for Hospitals & Healthcare Providers) Accreditation and "cGreen OT Certificate by Bureau Veritas & Abbott India Ltd, within couple of years of its opening. The accreditation is a testimony of commitment to provide the best quality of healthcare to the people of Odisha, keeping in mind that patients are the biggest beneficiaries. At AMRI Hospital-Bhubaneswar, the emphasis is on providing services with a smile, ensuring true value for money and total patient satisfaction. The hospital has earned a reputation of being the most-trusted and best hospital for its excellent services with humane touch at affordable rates. AMRI Hospital-

Bhubaneswar is focussed on keeping pace with latest technologies in the healthcare sector and International standards of clinical care, combined with highest levels of quality.

In continuation of its commitment to bring world-class healthcare to Odisha, AMRI Hospital- Bhubaneswar celebrates important days on health-related issues throughout the year, with an endeavour to create awareness about particular diseases among the people. Considered among the best neurology and cardiac care hospitals in Odisha, AMRI Hospital- Bhubaneswar has a number of Special Health Packages related to those specialties.

Besides having introduced many advanced technologies to the region, the hospital has been working on various healthcare awareness drives that has built a positive impact on the people of Odisha. In keeping with the spirit of the growing city of Bhubaneswar, Odisha's capital, AMRI Hospital is all poised to take lead in the healthcare scenario of the state in the years to come.

VISION MISSION AND QUALITY POLICY OF AMRI HOSPITAL

VISION:

Be cherished as the best place to come for care and the best place to work.

MISSION:

- To provide healthcare services maintaining accountability in a responsible manner that contributes to the physical, psychological, social, and spiritual wellbeing of the patients and community, which we serve.
- To participate in the creation of healthier lives within the community conforming to the requirements of our patients and customers round the clock and constantly measuring and striving to improve the outcomes of our care and service.
- To create and sustain a work environment in which all participants are empowered and committed to continual quality improvements; confirming the values of participation, acknowledgment, accountability, teamwork, integrity, and respect.
- Create the national model of care through a relentless pursuit of unparalleled quality & value to the entire satisfaction of patients, customers, and staff.
- To carry on educational and research activities related to the provision of care to the sick and injured or to promote health and continually rethink, reshape and redefine solutions to healthcare challenges.

QUALITY POLICY:

AMRI Hospitals is committed to providing quality health care to beneficiaries. It will achieve this by-

- Identifying and meeting their needs and expectation. Complying with the benchmark of the national and global level of practices through continual development, improvement, and training.
- Remaining committed to ensuring that a transparent quality system, as per the requirement of accreditation authority and appropriate to the purpose of the organization is understood and implemented at all levels.

SERVICES OFFERED

- Anaesthesiology
- Cardiothoracic & Vascular Surgery
- Clinical & Interventional Cardiology (Cathlab)
- Dentistry & Maxillofacial Surgery
- Dermatology
- Diabetology & Endocrinology
- ENT, Audiology & Speech Therapy
- General Medicine
- General & Laparoscopic Surgery
- Medical Gastroenterology (Endoscopy)
- Nephrology (Dialysis)
- Neurosurgery
- Neurology & Neurophysiology
- Nutrition & Dietetics
- Obstetrics & Gynaecology
- Ophthalmology & Corneal Transplant
- Kidney Transplant
- Orthopaedics & Joint Replacement Surgery
- Paediatric & Neonatology
- Paediatric Surgery
- Psychiatry (OPD)
- Sports & Rehabilitation Medicine
- Plastic, Reconstructive & Cosmetic Surgery
- Surgical Oncology
- Surgical Gastroenterology
- Urology (Holmium Laser & Lithotripsy) 24x7 Services
- Blood Centre & Transfusion Medicine
- Emergency Medicine & Trauma Care
- Lab, Radiology & Imaging Services
- Pharmacy

Amri Hospital partners with Emami Frank Ross to supply patients with their medication needs. The pharmacy within Hospital is open 24 hours a day 7 days a week. It is located on the ground floor near the Emergency ward. The pharmacy keeps in stock close to 8000 brand names and generic medications that can be administered intravenously or orally.

MICHAEL PORTER'S FIVE FORCE ANALYSIS

Porter's Five Forces is a holistic strategy framework that took strategic decisions away from analyzing the present competition. Porter Five Force focusses on - how AMRI Hospital, can build a sustainable competitive advantage Hospital industry. Managers at AMRI Hospital cannot only use Porter Five Forces to develop a strategic position within the hospitals industry but also can explore profitable opportunities in the whole Healthcare sector.

Force 1: Threats of New Entrants

New entrants in Hospitals brings innovation, new ways of doing things and put pressure on AMRI Hospital, through lower pricing strategy, reducing costs, and providing new value propositions to the customers. AMRI Hospital has to manage all these challenges and build effective barriers to safeguard its competitive edge.

How AMRI Hospital can tackle the Threats of New Entrants:

- By innovating new products and services. New products not only bring new customers to the fold but also give old customers a reason to buy AMRI Hospital's products.
 - By building economies of scale so that it can lower the fixed cost per unit.
 - Building capacities and spending money on research and development.
- New entrants are less likely to enter a dynamic industry where established players such as AMRI Hospital keep defining the standards regularly. It significantly reduces the window of extraordinary profits for the new firms thus discourage new players in the industry.

Force 2: Bargaining Power of Suppliers

All most all the companies in the Hospitals industry buy their raw material from numerous suppliers. Suppliers in dominant position can decrease the margins AMRI Hospital, can earn in the market. Powerful suppliers in healthcare sector use their negotiating power to extract higher prices from the

firms in Hospitals field. The overall impact of higher supplier bargaining power is that it lowers the overall profitability of Hospitals.

How AMRI Hospital, can tackle Bargaining Power of the Suppliers:

- By building efficient supply chain with multiple suppliers.
- By experimenting with product designs using different materials so that if the prices go up of one raw material, then company can shift to another.
- Developing dedicated suppliers whose business depends upon the firm. One of the lessons AMRI Hospital, can learn from Wal-Mart and Nike is how these companies developed third party manufacturers whose business solely depends on them thus creating a scenario where these third-party manufacturers have significantly less bargaining power compare to Wal-Mart and Nike.

Force 3: Bargaining Power of Buyers

Buyers are often a demanding lot. They want to buy the best offerings available by paying the minimum price as possible. This put pressure on Amri Hospitals, profitability in the long run. The smaller and more powerful the customer base is of Amri Hospitals, the higher the bargaining power of the customers and higher their ability to seek increasing discounts and offers.

How Amri Hospitals, can tackle the Bargaining Power of Buyers:

- By building a large base of customers. This will be helpful in two ways. It will reduce the bargaining power of the buyers plus it will provide an opportunity to the firm to streamline its sales and production process.
- By rapidly innovating new products. Customers often seek discounts and offerings on established products so if Amri Hospitals, keep on coming up with new products then it can limit the bargaining power of buyers.
- New products will also reduce the defection of existing customers of Amri Hospitals, to its competitors.

Force 4: Threats of Substitute Products or Services

When a new product or service meets a similar customer need in different

ways, industry profitability suffers. For example, services like Dropbox and Google Drive are substitute to storage hardware drives. The threat of a substitute product or service is high if it offers a value proposition that is uniquely different from present offerings of the industry

.

How Amri Hospitals, can tackle the Treat of Substitute Products / Services

- By being service oriented rather than just product oriented.
- By understanding the core need of the customer rather than what the customer is buying.
- By increasing the switching cost for the customers.

Force 5: Rivalry among the Existing Competitors

If the rivalry among the existing players in an industry is intense then it will drive down prices and decrease the overall profitability of the industry. Amri Hospitals, operates in a very competitive Hospitals industry. This competition does take toll on the overall long-term profitability of the organization.

How Amri Hospitals, can tackle Intense Rivalry among the Existing Competitors in Hospitals industry:

- By building a sustainable differentiation
- By building scale so that it can compete better
- Collaborating with competitors to increase the market size rather than just competing for small market.

Implications of Porter Five Forces on Amri Hospital:

By analyzing all the five competitive forces Amri Hospitals, strategists can gain a complete picture of what impacts the profitability of the organization in Hospitals industry. They can identify game changing trends early on and can swiftly respond to exploit the emerging opportunity. By understanding the Porter Five Forces in great detail Amri Hospitals, managers can shape those forces in their favor.

SWOC ANALYSIS OF AMRI HOSPITAL

<p style="text-align: center;">STRENGTHS</p> <ul style="list-style-type: none"> • Specialized treatment • NABH Accredited • Green OT Accredition. • Expert Medical Staff. • IndustryStandard Facility. • Waiting period for the pateints is comparetively less. • Tie of with TPA , corporate and Govt schemes like BSKY , FTTF etc 	<p style="text-align: center;">WEAKNESS</p> <ul style="list-style-type: none"> • Unavailability of some Diagonistic Services. • Lack in CSR Activities. • Cost of treatment is high. • Tele medicine services are not upto the mark.
<p style="text-align: center;">OPPORTUNITIES</p> <ul style="list-style-type: none"> • Digital consultation services could be a big addition to current line work. • Development of channel of distribution. • New vertical , horizontal or niche markets. 	<p style="text-align: center;">CHALLENGES</p> <ul style="list-style-type: none"> • Govt hospitals are are levelling up in their services. • Not enough scope for expansion in Odisha. • New hospital are entering with advance healthcare technologies.

INDUSTRY OVERVIEW

HEALTH CARE INDUSTRY IN INDIA

The Healthcare Industry is comprised of companies that offer clinical services, manufacture drugs and medical equipment, and provide healthcare-related support services like medical insurance. Its also referred to as the medical industry. These companies play a key role in the diagnosis, treatment, nursing, and management of illness, disease, and injury.

The healthcare industry also provides preventive, remedial and therapeutic services to patients. To offer these services, there needs to be collaboration amongst healthcare providers including doctors, nurses, medical administrators, government agencies, pharmaceuticals, medical equipment manufacturers, and medical insurance companies.

The Healthcare Industry is one of the largest and is expected to continue growing well into the future guided by several drivers. Key among them will be; technological innovation, integration of medicine and healthcare, smart healthcare data management, and a patient-centered restructuring.

This growth will be inevitable if and when technology is be embraced in every sector of the healthcare industry. This will call for massive investments in terms of cognitive computing, electronic patient records, interoperability, big data, etc. A digitized healthcare system will provide for better diagnostics, improve the quality of care, and also reduce operational costs.

At the center of this digital transformation is the need for innovative and cost-effective ways to deliver patient-centered, technology-enabled health care. Innovation will play a key role in the design and manufacture of medical products, equipment, and services.

Technological innovation can, for instance, stimulate operational efficiency by helping connect and coordinate operations of all healthcare providers in their different areas of expertise. Integration of medicine and health care will also provide a holistic approach to healthcare through creation of a collaborative framework that will promote integration of skills and competencies across pharmaceuticals, medical equipment manufacturers, and healthcare providers.

Healthcare data management will mainly revolve around smart systems that can provide permission control, anonymity, and confidentiality when it comes to health data.

For healthcare providers, data analysis will help to determine which patients need prompt or specialized care, which can go a long way in efficiently managing available resources. It will also assist them in deploying innovative care delivery and wellness models based on metrics derived from data. With technology, it will be possible to monitor and ascertain the effectiveness of certain medications on individuals or entire patient populations.

KEY SEGMENTS OF HEALTHCARE INDUSTRY:

1. Healthcare Providers

- Hospitals and other medical centers: They conduct diagnosis and treatment of diseases, teaching, research, and training. Hospitals are equipped with medical equipment and facilities of all kind including operating theatres where medical professionals conduct major surgical procedures.
- Nursing homes and rehabilitative centers: They offer both short- and long-term care services. Short-term care may include rehabilitative care after undergoing a surgery, illness or injury. This may include physical therapy, occupational therapy or speech language therapy. Long-term care is offered to the sick, elderly and disabled.
- Ambulatory service providers: These are physicians and other health professionals who provide outpatient medical services or non-hospital-based care. For outpatient-based care, a patient visiting a hospital or an outpatient clinic gets diagnosed, treated, and released on the same day.

2. Healthcare Financiers

- These are government agencies and private companies that provide health insurance policies and fund healthcare services. They are tasked with pooling of medical funds collected through employer contributions or individual insurance policies, and oversee payment for services rendered. Healthcare financiers outline how people access health care, the kind of healthcare to be covered, and the allocation of healthcare services.

3. Life Sciences

- This segment includes; pharmaceutical firms which make drugs and other chemical products needed for the provision of health care; manufacturers who make high-tech medical equipment; and biotechnology firms that conduct research and development to create new drugs, equipment, and treatment methods. Others who also fall in this segment are all those who provide other miscellaneous scientific services for the diagnosis, treatment, and monitoring of patients.

HEALTHCARE INDUSTRY VALUE CHAIN

1. Administrative (Back office)

- The administrative department is tasked with the planning, coordination, and supervision of the day-to-day operations of healthcare facilities, ensuring they run both efficiently and profitably. The department is responsible for Budgeting and financial management; admissions and discharges, Public relations, Medical billing, Instituting hospital policies and procedures, Provision of staff and patient health-related education and Recruitment of staff and management of their benefits.

2. Information Management

- This department is the brain of the healthcare industry. It masterminds the collection and analysis of healthcare data to be used in making health care decisions. The department is responsible for Leveraging health data to improve care delivery, Availing patient data anywhere, anytime while ensuring it's portable and easy to use, Maintaining confidentiality and security of patient data, Ensuring there is accountability and due diligence in the sector and Overseeing the application and infrastructure landscape for healthcare institutions.

3. Clinical Services

- Clinical services are the heartbeat of the healthcare industry and provide comprehensive clinical and non-clinical services for the diagnosis and treatment of patients. They provide acute and ongoing care, ambulatory services as well as conduct training and medical research.

- Clinical services can include any of the following departments such as Biomedical Engineering, Cardiology, Dermatology, Pediatric Care, Disease Research Center, Dentistry and Oral Surgery, Diabetes Center, Diagnostic Radiology, Cancer and Palliative Care ,Integrated Imaging Center, Reproductive Health and Birthing center and Endocrinology,

4. Allied Health

- Allied health professionals augment the entire medical and nursing teams, and provide direct patient care and other support services that improve health and quality of life of patients. These services may be diagnostic, therapeutic, or preventive in nature.
- These services includes Occupational therapy, Speech/Language therapy, Psychological/Mental rehabilitation, Physical fitness training, Dietary and nutritional services and Health management systems.

5. Support Services

- These are people, processes, and support structures that augment the realm of medical care, ensuring healthcare professionals can provide patient care and service effectively and efficiently. Some of the support services include Procurement and supply, Cleaners and food service workers and Biomedical Technology.
- Procurement and supply: They order, receive, stock, and oversee the distribution of drugs and medical equipment across all hospital departments, whenever and wherever they are needed.
- Cleaners and food service workers: They are tasked with housekeeping to maintain a safe, clean environment, as well as cleaning and sanitizing medical equipment. They also prepare food and drinks for medical staff and patients.
- Biomedical Technology: They support healthcare professionals through design works, building, repair and maintenance of medical equipment.

RESEARCH METHODOLOGY:

RESEARCH:

Research is a strategy in which the analysts wish to discover the final product for a given issue & along these lines the arrangement helps in forecasting game-plan. The examination has been all around characterized as "A cautious report or enquiry particularly through scan for new realities in part of information.

DATA COLLECTION:

Data collection is a process of collecting information from all the relevant sources to find answers to the research problem, test the hypothesis and evaluate the outcomes. Data collection method can be divided into two categories:

- Primary methods of data collection
- Secondary methods of data collection

Primary methods of data collection:- It includes the fresh or completely new data sources collected for a specified purpose, such as:

- Direct observation
- Formal And Informal discussion

Secondary methods of data collection:- It includes sources of existing/ publishing data such as:

- Company manuals and handbook
- Official website
- Research paper
- Account statements

SOURCES OF DATA COLLECTION:

For my research I have used both primary and secondary data following secondary sources to gather necessary data or information:

- Official website
- Account statement
- Internet

OBJECTIVES OF THE STUDY

The major objectives of the recent study are to know about Credit management policy of AMRI Hospital Bhubaneswar through FINANCIAL STATEMENT AND RATIO ANALYSIS.

Primary objective:

- To analyze the financial statements of the corporation to its true financial position by the use of ratios.

Secondary objective:

- To find out the credit management system of AMRI Hospital, Bhubaneswar.
- To see whether Company is going well or not in different areas
- To inform the management about the financial condition of AMRI
- To know the financial health of AMRI Hospital, Bhubaneswar.

SCOPE OF THE STUDY

- The study has great significance and provides benefits to various parties whom directly or indirectly interact with the company.
- It is beneficial to management of the company by providing crystal clear picture regarding important aspects like liquidity, solvency and profitability.
- The study is also beneficial to employees and offers motivation by showing how contributing for company's growth.

LIMITATION OF THE STUDY

- Lack of current information as the management does not permit to disclose various data related to my study and this is the major problem among all the problems.
- Time is also big constraint for my study. I have to submit a broader deal in a sorter form of outcome.

CREDIT MANAGEMENT SYSTEM OF AMRI HOSPITAL

CREDIT MANAGEMENT:

Credit management refers to the process of granting credit to your customers, setting payment terms and conditions to enable them to pay their bills on time and in full, recovering payments, and ensuring customers (and employees) comply with your company's credit policy. An effective credit management plan uses a continuous, proactive process of identifying risks, evaluating their potential for loss and strategically guarding against the inherent risks of extending credit.

BENEFITS OF CREDIT MANAGEMENT

- Ensuring that your cash inflows are always higher than your cash outflows so that you can pay your bills and employees on time.
- Reducing the number of late payments by detecting them earlier and preventing bad debts, consequently reducing the possibility that default will adversely impact your business.
- Increasing available business liquidity.
- Executing faster and more complete debt recovery.
- Improving your company's Days Sales Outstanding (DSO).
- Identifying opportunities and freeing up your company's working capital for critical business investments that can support strategic growth.
- Helping you plan and analyse performance, which enables you to prepare financial budgets for the years to come.
- Reassuring potential lenders who can fund your business expansion plans.

A credit manager is a person employed by an organization to manage the credit department and make decisions concerning credit limits, acceptable levels of risk, terms, of payment and enforcement actions with their customers. This function is often combined with Accounts Receivable and Collections into one department of a company.

- A The role of credit manager is variable in its scope and Credit managers are responsible for:
- Controlling bad debt exposure and expenses, through the direct management of credit terms on the company's ledgers.
- Maintaining strong cash flows through efficient collections. The efficiency of cash flow is measured using various methods, most common of which is Days Sales Outstanding (DSO).
- Ensuring an adequate Allowance for Doubtful Accounts is kept by the company.
- Monitoring the Accounts Receivable portfolio for trends and warning signs.
- Hiring and firing of credit analysts, accounts receivable and collections personnel.
- Enforcing the "stop list" of supply of goods and services to customers.
- Removing bad debts from the ledger (Bad Debt Write-Offs).
- Setting credit limits.
- Setting credit terms beyond those within credit analysts' authority.
- Setting credit rating criteria.
- Setting and ensuring compliance with a corporate credit policy.
- Pursuing legal remedies for non-payers.
- Obtaining security interests where necessary. Common examples of this could be PPSA's, letters of credit or personal guarantees.

- Initiating legal or other recovery actions against customers who are delinquent.

OBJECTIVES OF CREDIT MANAGEMENT:

Safeguarding customer risk and improving cash flow are some of the common goals of credit management. Having a good credit management system in place is really important. and the reasons are:

- A good credit management system helps in maintaining a proper customer-business relationship.
- It helps in the determination of credit ratings of the customer.
- It prevents any mishap with funds and potentially safeguards from bad debts.
- Credit Management also helps in the detection of late payments advance.
- It assesses the credit risks that are lingering around with customers by studying credit payments from customers.

For a business to perform well every time and not have financial crunches, maintaining and optimal credit policy is important. This preserves money in the long run and saves your business from actually shutting down.

Credit Management doesn't revolve around minimizing debts. Rather, it promotes better relations with clients for the sake of better business outcomes and increases profits overall. Safeguarding customer risk and improving cash flow are some of the common goals of credit management.

Safeguarding the customer risks

For a proper credit management system to be in place, the control of expenses is very important as it helps you make the right decisions at the right time.

It is one of the most primary steps towards a better financial growth and customer relationship. It must, however, be used with as much caution

However, you should also know that it helps in the success of a lot of modern-day businesses.

Improving Cash Flow

Credit Management wholly includes the adoption of some of the most trustworthy and efficient methods improve cash flow.

These methods, in general, could include the utilization of adequate tools and programs is growing at its finest and that enough developmental opportunities are created.

Problems Arising From The Improper Credit Management
Improper Credit Management gives rise to big problems such as:

- Cash Crunches in Business.
- Increase in Bad debts.
- Increase in Debts to creditors.
- Inadequate working capital.
- Affecting day to day operations.
- Low cash conversion or cash inflow.
- Losing Credit Rating.
- Unable to take benefits of cash discount from suppliers.
- Advantages of Credit Management.
- Increase in cash conversion or cash inflow.
- Low bad debts.
- Increase in profitability.
- Increase in liquidity.

- Helps to increase production level and lower the cost.
- Builds Credit Rating and brand reputation.
- Efficient management of working capital.

Principles of Credit Management

Credit management plays a vital role in the banking sector. As we all know bank is one of the major source of lending capital. So, Banks follow the following principles for lending capital.

Liquidity

Liquidity plays a major role when a bank is into lending money. Usually, banks give money for short duration of time. This is because the money they lend is public money. This money can be withdrawn by the depositor at any point of time.

Safety

The second most important function of lending is safety, safety of funds lent. Safety means that the borrower should be in a position to repay the credit regular durations of time without any fail. The repayment of the credit relies on the nature of security and the potential of the borrower to repay the credit.

Diversity

Diversification basically targets at reducing risk of the investment portfolio of a bank. The principle of diversity is applicable to the advancing of loans to different types of firms, industries, factories, businesses and markets. A company should abide by the maxim that is "Do not keep all eggs in one basket." It should distribute its risks by lending loans to different trades and companies in different parts of the country.

Profitability

This should be the chief principle of investment. An organisation should only invest if it earns sufficient profits from it. Thus, it should, invest in securities that have a fair and stable return on the funds invested.

Credit Management Policy

The credit policy is a document that specifies the course of action for granting credit and recurring credit activities. The credit policy has to be understood by, and communicated to, all relevant parties, particularly credit staff, sales staff and customers

Credit policies need to be a requirement of sound credit management practice, and should serve at least the following purpose:

- Reviewed and monitored on a regular basis to take account of changing market conditions, company strategy, competition, and financial needs. A carefully documented credit policy is a fundamental.
- To define the objectives of credit extension in the context of corporate strategy and organization structure.
- To define the authority and responsibilities for credit the timing of collection actions granting, establishing and varying terms.
- To provide documented procedures in relation to the above that can be communicated to all staff To specify training policy for credit staff.
- To specify performance targets and monitoring activities for credit staff To reinforce "one company-one customer culture" throughout the organization.
- The credit policy of a company should be developed in accordance with the strategic, marketing, financial and organisational context of the business and be designed to contribute to the achievement of corporate objectives.

Setting a Credit Policy

A credit policy should start at the highest level, be agreed at all levels, and be inclusive of all those areas of the business operation which leads to satisfying customer requirements. Every employee in the business should know what the credit terms are, how and why, they have been arrived at, and how, why and when they are implemented. When a credit policy has been decided, it should be signed by the Board of Directors and issued to all

departments to show its importance to the cash flow and profitability of the company.

According to Pearse 2014, Policies may be set on three different levels:

1. Restrictive: This is a low-risk strategy where there are tough criteria for new clients. This may be due to the nature of the business and the risk involved, eg, building material and supply companies in the construction industry generally have a strict criterion for credit.
2. Moderate: Here businesses are willing to take some calculated risk and credit is provided on some middle ground i.e., the credit limit is set in advance.
3. Liberal: This is a high-risk strategy and credit is available relatively easily. Businesses with high profit margins or with the intention of gaining market share usually adopt this strategy.

The success of a credit policy largely depends on the processes and procedures used by the organisation to implement of the policy.

Credit Management System of AMRI hospital, Bhubaneswar :

Being Odisha's pioneer healthcare destination, AMRI Hospital Bhubaneswar delivers tertiary-level clinical treatment backed by a diverse team of medical professionals and equipped with the most cutting-edge state-of-the-art technology accessible anywhere in Eastern Credit Management System of AMRI hospital is a Two way system.i.e. Receivable and Payble.

As it is a hospital industry deals with providing services (treatment), so patients are their customers to whom they provide services in credit and in cash of Payble AMRI hospital deals with a number of vendors or creditors from whom they purchase/ receive goods and services in credit. So Let's discuss both the part in detail.

At the very beginning as it is a service provider it's primary duty is to provide services to its customers with both cash and credit facility as consideration. The patient can receive the service by paying cash or else with credit. Credit part again divided into corporate and Third Party Administrator (TPA).

CORPORATE

When it comes to employee benefits, today's companies are offering everything for employee's satisfaction. Like this various corporates provide When medical treatment facility to their employees in credit which will be paid by the corporate itself also under implication of various Health Schemes regulated by the Government. There are various companies who have tied up with AMRI hospital such are:

- AIRPORT AUTHORITY OF INDIA
- BHARAT SANCHAR NIGAM LTD + CENTRAL HEALTH GOVERNMENT SCHEME.
- COAL MINES PROVIDENT FUND ORGANISATION COAL INDIA LIMITED.
- MAHANADI COAL FIELD LTD.
- CENTRAL RESERVE POLICE FORCE+ INSTITUTE OF MINERALS & MATERIALS TECHNOLOGY.
- CENTRAL TOOL ROOM & TRAINING CENTRE.
- CENTRAL WAREHOUSING CORPORATION EAST COAST RAILWAY.
- EMPLOYEES STATE INSURANCE.
- FOOD CORPORATION OF INDIA.
- HINDUSTAN PETROLEUM CORPORATION LTD.
- HOUSING & URBAN DEVELOPMENT CORPORATION.
- INDIAN FARMERS FERTILISER COOPERATIVE LTD.
- INDIAN INSTITUTE OF TECHNOLOGY
- INDIAN METALS & FERRO ALLOYS LTD.
- INDIAN OIL CORPORATION LTD.

- INDIAN RARE EARTHS LTD.
- MAA JAGAT JANANI SEVA TRUST.
- METALS & MINERALS TRADING CORPORATION OF INDIA.
- NATIONAL ALUMINIUM COMPANY LTD.
- NATIONAL COUNCIL OF SCIENCE MUSEUM.
- NATIONAL DISASTER RESPONSE FORCE.
- NATIONAL INSTITUTE OF SCIENCE EDUCATION & RESEARCH.
- NATIONAL THERMAL POWER CORPORATION LIMITED.
- OIL & NATURAL GAS CORPORATION LTD.
- PARADEEP PHOSPHATE LIMITED.
- PARADEEP PORT TRUST.
- POWER FINANCING CORPORATION.
- RESERVE BANK OF INDIA.
- STATE BANK OF INDIA.
- STATE BANK OF INDIA (Retired Employees) TATA MOTOR FINANCE LIMITED.
- TATA REFRACTORIES LTD.

Third Party Administrator (TPA)

A TPA is the representative of the health insurance company. It works as an intermediary between the insurance company and the insured person. Its main job is to settle the cashless as well as reimbursement claims related to hospitalization and related medical expenses. It holds the license from Insurance Regulatory Development Authority (IRDA) to process the claims.

TPA benefits both the insurer and the insured. Some of its key benefits are as follows:

- Greater efficiency/quality related to delivery of services.
- Greater penetration of health insurance.
- Streamline investigation avoids unnecessary delays.
- Lower insurance premiums.
- Handles all issues related to claim settlements.
- Provides a 24/7 toll-free number.
- Does not entertain the false claims and controls the possible frauds by private hospital.

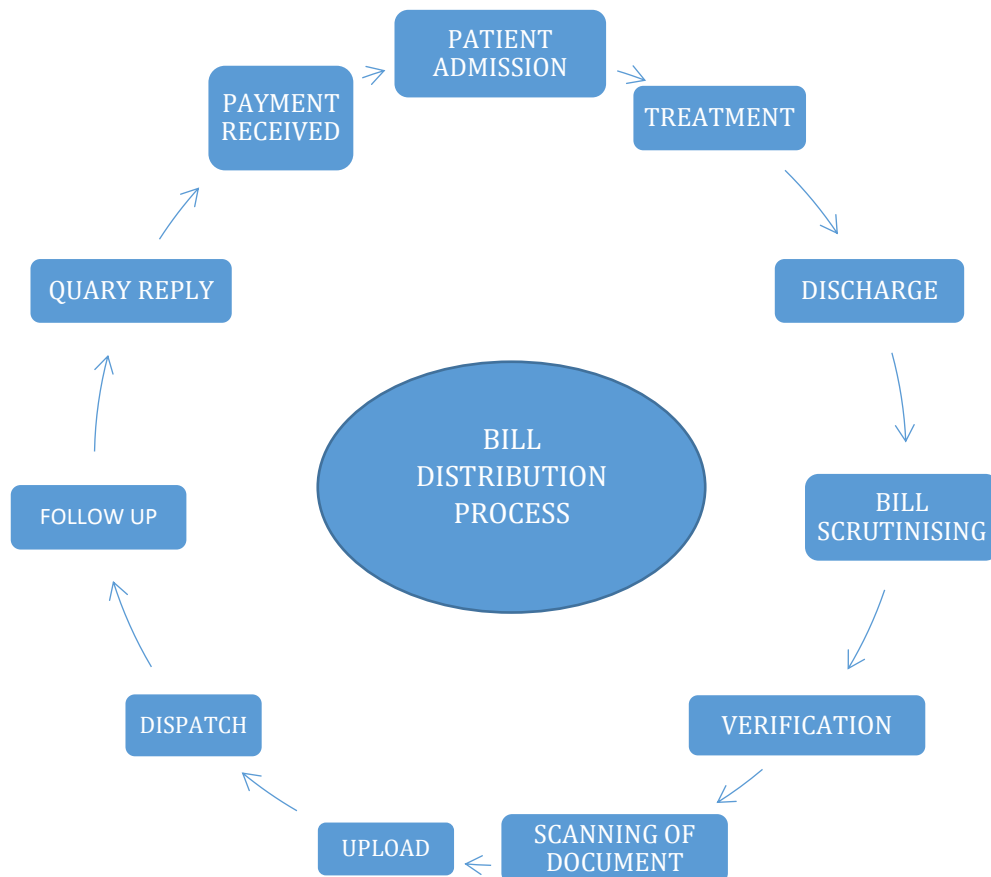
Some Popular Health Insurance TPA:

- Apollo Munich Health Insurance
- Bajaj Allianz General Insurance Company
- Chola mandalam MS General Insurance Co Ltd.
- Dedicated Health Services.
- E-Meditek (TPA) Services Ltd.
- Family Health Plan (TPA) Ltd.
- Future General India Insurance Company

- Genins India TPA Ltd.
- Good Health Plan Limited
- HDFC ERGO General Insurance Company Ltd.
- Health India TPA Services Pvt. Ltd.
- Heritage Health TPA Pvt. Ltd.
- IFFCO TOKIO General Insurance
- Max Bupa Health Insurance Co. Ltd.
- MDIndia Healthcare Services (TPA) Pvt. Ltd.
- Medi Assist India Pvt.
- Medicare TPA Services (1) Pvt. Ltd.
- Medsave
- Paramount Health Service (TPA) Pvt. Ltd
- East West assist Pvt Ltd
- Grand Healthcare TPA Services Pvt Ltd
- ICICI prudential life insurance co Ltd
- Religare health insurance co ltd
- United healthcare parekh TPA Pvt Ltd
- Vipul Med Corporation TPA Pvt Ltd
- ICICI Lombard General Insurance co Ltd
- Star Health & Allied insurance co Ltd
- Raksha TPA Pvt Ltd

- VIDAL Health TPA Ltd.
- Universal Sampo
- ADITYA BIRLA
- Rothshield healthcare TPA Services Ltd
- SpurthiMeditech TPA solution Pvt Ltd
- RELIANCE GEN INSURANCE.

PROCESS OF BILL DISTRIBUTION OF AMRI HOSPITAL



As shown in above picture the patients get admitted in the hospital, during the admission they must need to bring the necessary documents like health card, referral letter, identity proof etc. then the procedure of treatment started. Then they will be provided with necessary treatment after being completely cure the patients were allowed to leave the hospital by fulfilling all the necessary requirements by following the instruction. And this is the point from where the main process get started.

After discharge, the bills with discharge summary and related reports were transferred to finance department and there the first thing they do is bill scrutinizing by attaching all the the referrals of different patients with their respective bills then the verification process took place where they investigate all the reports and the total amount after that this can all the necessary data and upload it to the tracker and then the peoples are ready to dispatch to the respective corporates. There is some fix duration of dispatch of bill i.e 7 days/1month after discharge of patients which is vary from one corporate to other. After it they need to follow them up and if there are any queries related to the missing of any documents or charging of high cost as it arises then the finance team is accountable to reply all the queries. If the reply is satisfactory then after this process the corporates made payment to the hospital.

GOOD RECEIPT NOTE

Goods Receipt Note or GRN is a document that acknowledges that the delivery has been executed successfully by the seller to the customer. And this receipt conveys that the goods have been delivered without any forthcoming like damage, exposed packaging or wrong product.

GRN CONTAINS :

- Shipper information
- Product dimensions and type
- Delivery time
- Delivery address
- Quantity of commodities
- Details of the receiver
- Signature of the receiver
- Order number

BENEFITS OF GRN:

- Tracking the time and place of final delivery.
- Assisting suppliers go forward quickly with payment authorization.
- Negating risks of authorizing faulty and damaged goods.
- Making it simple to take up issues of stolen and lost goods.

PROCESS OF GRN USED IN AMRI HOSPITAL

AMRI hospitals purchase medical equipment from vendors and do transactions for service in credit. For this also they have to follow a procedure like first, they have to issue a purchase order for the purchase of any equipment. A purchase order (PO) is a commercial document and the first official offer issued by a buyer to a seller indicating types, quantities, and agreed prices for products or services. It is used to control the purchasing of products and services from external suppliers. Similarly, issue service orders for any kind of service. Service orders are used the same way purchase orders are used. Where purchase orders are used to indicate the need to purchase products, service orders are used to indicate the need for services. The service order includes a Description of the job, task, or need. Then equipment being purchased by the company is attached with a purchase note which is act as a piece of evidence and against which payment is made to the vendor.

FINANCIAL STATEMENT

Financial statements are financial data documents a company publishes on an annual, biannual, quarterly or monthly basis. These documents include the company's net worth based on assets and liabilities, as well as the company's expenses, earnings and operational budget. Financial planners, senior executives and accountants may use financial statements to make decisions regarding future planning, expansions and product launches, but there are disadvantages to using this method.

ADVANTAGES OF FINANCIAL STATEMENT ANALYSIS:

- To determine the ability of a business to generate cash, and the sources and uses of that cash.
- To determine whether a business has the capability to pay back its debts.
- To track financial results on a trend line to spot any looming profitability issues.

- To derive financial ratios from the statements that can indicate the condition of the business.
- To investigate the details of certain business transactions, as outlined in the disclosures that accompany the statements.
- To use as the basis for an annual report, which is distributed to a company's investors and the investment community.

DISADVANTAGES OF FINANCIAL STATEMENT ANALYSIS

- Financial statements are historical in nature.
- Financial statement analysis does not show price level changes; therefore, it affects the analysis too.
- The results derived from the analysis of financial statements can be misleading due to fudging or window dressing of the financial statements.
- Financial statements are affected by the personal ability and bias of the analyst.
- Financial statements analysis disregards qualitative aspects of the financial statements like labour force, quality of management, and public relations.

BALANCE SHEET

A Balance sheet refers to a financial statement that reports a company's assets, liabilities, and shareholder equity at a specific point in time. The balance sheet provides a snapshot of what a company owns and owes, as well as the amount invested by shareholders.

In accounting, a balance sheet is a summary of the financial balances of an individual or organization, whether it be a sole proprietorship, a business partnership, a corporation, a private limited company, or other organizations such as government or not-for-profit entity.

BALANCE SHEET OF AMRI HOSPITAL LTD. AS ON 31st MARCH 2021

As on (units in INR)	31 March 2021	31 March 2020
Equity & Liabilities		
Equity share capital	68,78,24,000	68,78,24,000
Other equity	-2,77,29,44,000	-1,67,41,69,000
Non-current liabilities		
Financial liabilities		
Borrowings	9,19,69,62,000	9,41,36,28,000
Trade payables	0	0
Other financial liabilities	29,00,000	28,76,000
Provisions	9,79,11,000	9,81,94,000
Deferred tax liabilities (net)	0	0
Other liabilities	0	0
Current liabilities		
Financial liabilities		
Borrowings	4,78,47,27,000	1,28,58,50,000
Trade payables	1,11,08,41,000	3,30,82,88,000
Other financial liabilities	2,57,51,16,000	2,87,19,13,000
Provisions	90,55,000	28,43,000
Current tax liabilities (net)	0	0
Other liabilities	10,11,44,000	9,86,92,000
Liabilities associated with assets in disposal group	0	0
Regulatory deferral account credit balances		
Total liabilities	17,87,86,56,000	17,08,22,84,000
Total equity and liabilities	15,79,35,36,000	16,09,59,39,000
Assets		
Non-current assets		
Property plant and equipment	9,80,90,63,000	10,14,09,29,000
Capital work in progress	1,61,94,79,000	1,31,08,39,000
Investment property	0	0
Goodwill	0	0
Intangible assets	2,16,81,000	2,48,52,000
Intangible assets under development	0	0
Financial assets		

Investments	2,00,000	2,00,000
Trade receivables	0	0
Loans	6,87,60,000	5,69,24,000
Other financial assets	7,63,07,000	74,87,000
Deferred tax assets (net)	2,83,61,32,000	2,52,26,19,000
Other assets	3,82,22,000	4,76,03,000
Current assets		
Inventories	15,24,07,000	16,09,30,000
Financial assets		
Investments	0	0
Trade receivables	80,39,95,000	93,90,24,000
Cash and cash equivalents	4,78,77,000	6,57,75,000
Other bank balances with banks	8,23,26,000	10,10,69,000
Loans	13,53,000	69,88,000
Other financial assets	10,04,78,000	6,39,16,000
Current tax assets	11,95,82,000	63,07,04,000
Other assets	1,56,74,000	1,60,80,000
Noncurrent assets held for sale	0	0
Regulatory deferral account debit balances		
Total assets	15,79,35,36,000	16,09,59,39,000

PROFIT & LOSS ACCOUNT

A profit and loss statement (P&L) is an accounting statement that shows the revenues and expenses of a business over a period of time. This statement is also known as a 'profit and loss account', 'income statement', 'statement of financial performance' or 'statement of operations'.

PROFIT & LOSS A\C OF AMRI HOSPITAL LTD As of 31st MARCH 2021

As on (units in INR)	31 March, 2021	31 March, 2020
Continuing Operations		
Revenue from operations	6,05,88,95,000	6,43,72,42,000
Other income	11,04,98,000	12,67,51,000
Total revenue	6,16,93,93,000	6,56,39,93,000
Cost of materials consumed	0	0
Purchases of stock in trade	0	0
Changes in inventory	0	0
Employee benefit expenses	1,12,22,90,000	1,19,89,66,000
Finance costs	1,56,97,34,000	1,71,62,06,000
Depreciation and amortization	48,71,72,000	46,50,30,000
Other expenses	4,22,02,28,000	4,67,93,40,000
Total expenses	7,39,94,24,000	8,05,95,42,000
Profit before exceptional items and tax	-1,23,00,31,000	-1,49,55,49,000
Exceptional items before tax	0	0
Profit before tax	-1,23,00,31,000	-1,49,55,49,000
Current tax expense	0	0
Deferred tax expense	-31,32,95,000	-50,88,60,000
Net movement in regulatory deferral account balances	0	0
Profit / loss from continuing operations	-91,67,36,000	-98,66,89,000
Profit / loss from discontinuing operations (after tax)	0	0
Net profit/loss after tax	-91,67,36,000	-98,66,89,000
Other comprehensive income	-18,20,38,000	-56,63,000
Total comprehensive income / losses for the year	-1,09,87,74,000	-99,23,52,000

RATIO ANALYSIS

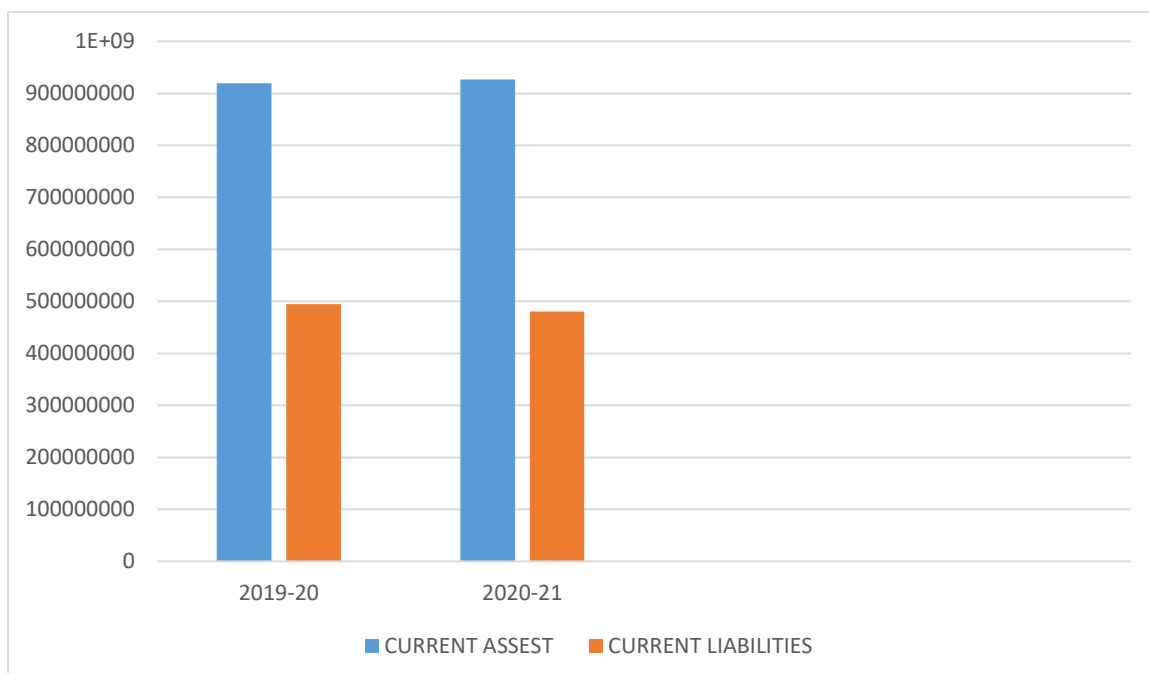
Ratio analysis is a quantitative method of gaining insight into a company's liquidity, operational efficiency, and profitability by studying its financial statements such as the balance sheet and income statement. Ratio analysis is a cornerstone of fundamental equity analysis.

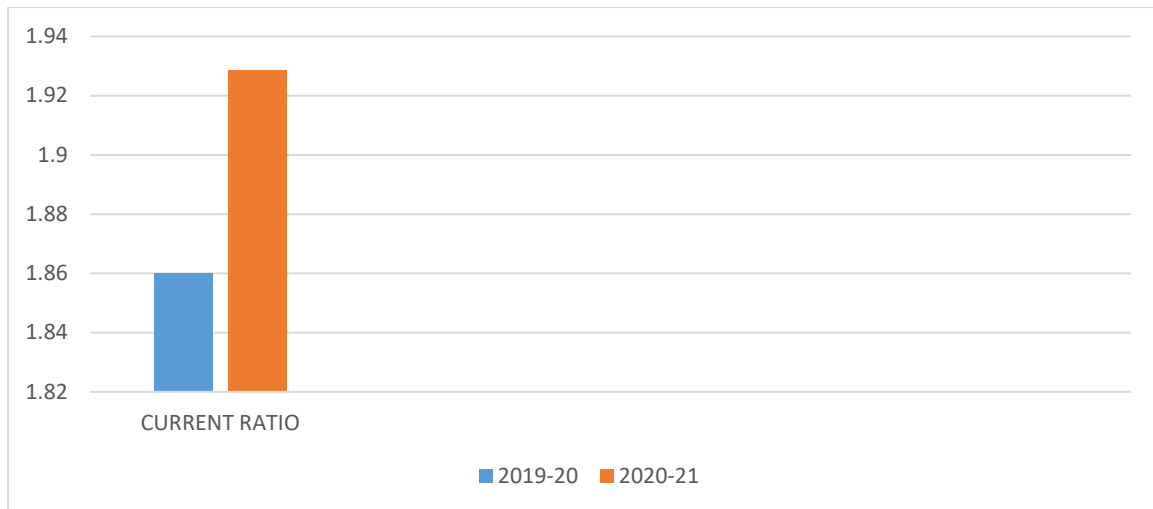
CURRENT RATIO

The current ratio is a liquidity ratio that measures the ability of the enterprise to pay its short-term financial obligations, i.e, current liabilities. It is a relationship of current assets and current liabilities. The current ratio indicates whether the enterprise will be able to meet short-term financial obligations when they become due for payment. Thus the current ratio is the measurement financial health of the enterprise.

$$\text{CURRENT RATIO} = \text{CURRENT ASSEST} \backslash \text{CURRENT LIABILITIES}$$

YEAR	CURRENT ASSETS	CURRENT LIABILITIES	CURRENT RATIO
2020-21	926800000	480600000	1.928422805
2019-20	919505000	494360000	1.859990695





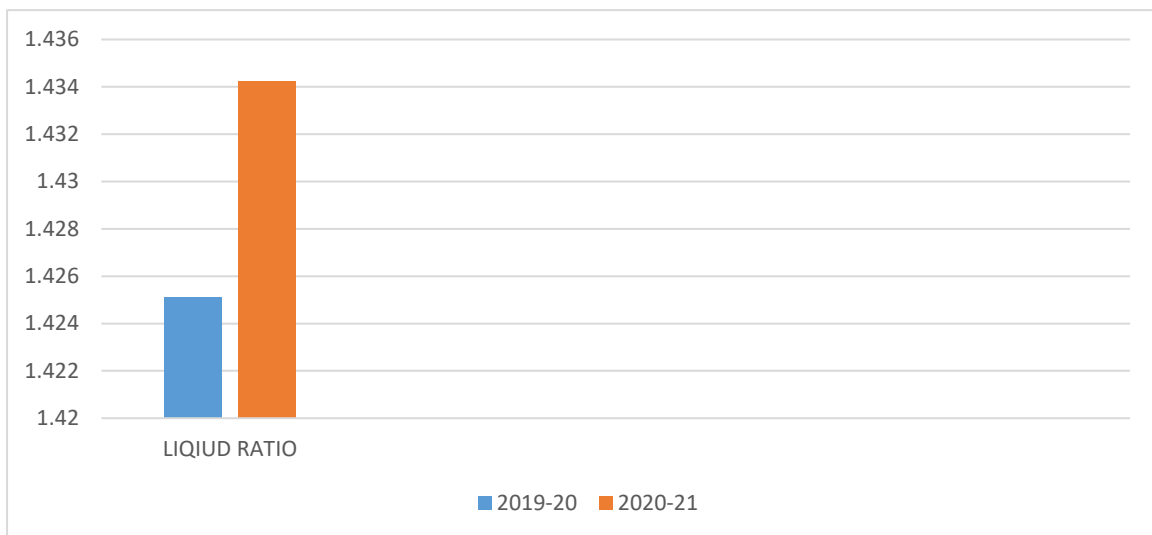
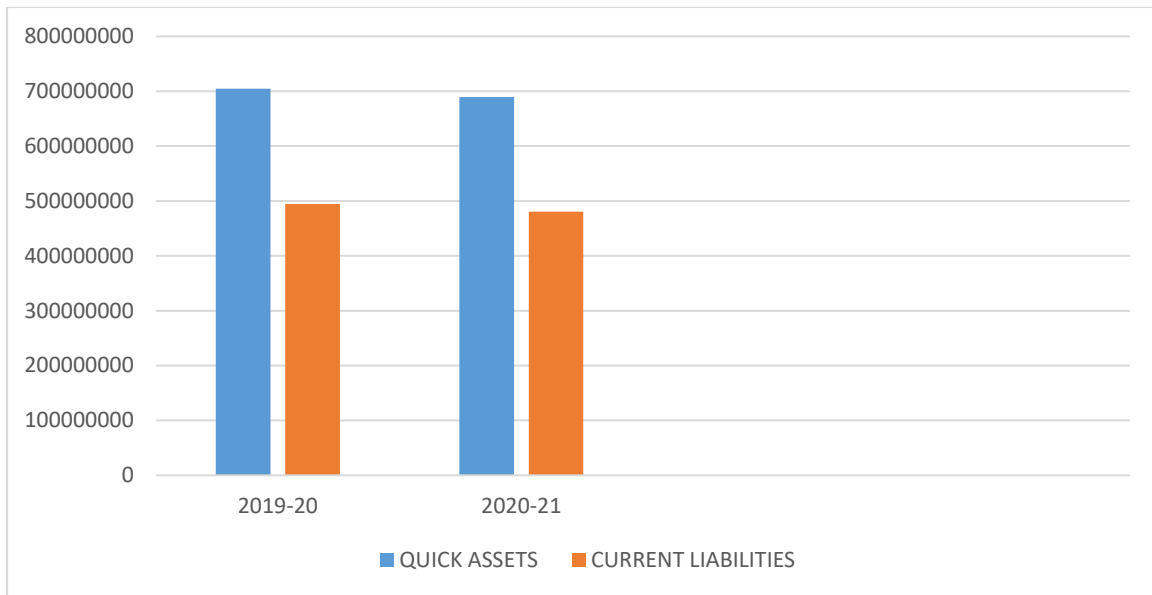
QUICK RATIO

The Quick Ratio, also known as the Acid-test or Liquidity ratio, measures the ability of a business to pay its short-term liabilities by having assets that are readily convertible into cash. These assets are, namely, cash, marketable securities, and accounts receivable. These assets are known as “quick” assets since they can quickly be converted into cash.

LIQUID RATIO= LIQUID ASSET/CURRENT LIABILITIES

LIQUID ASSEST = CURRENTASSET-(INVENTORY+PREPAID EXPENSES)

YEAR	QUICK ASSETS	CURRENT LIABILITIES	LIQUID RATIO
2020-21	689300000	480600000	1.434248856
2019-20	704505000	494360000	1.425084958

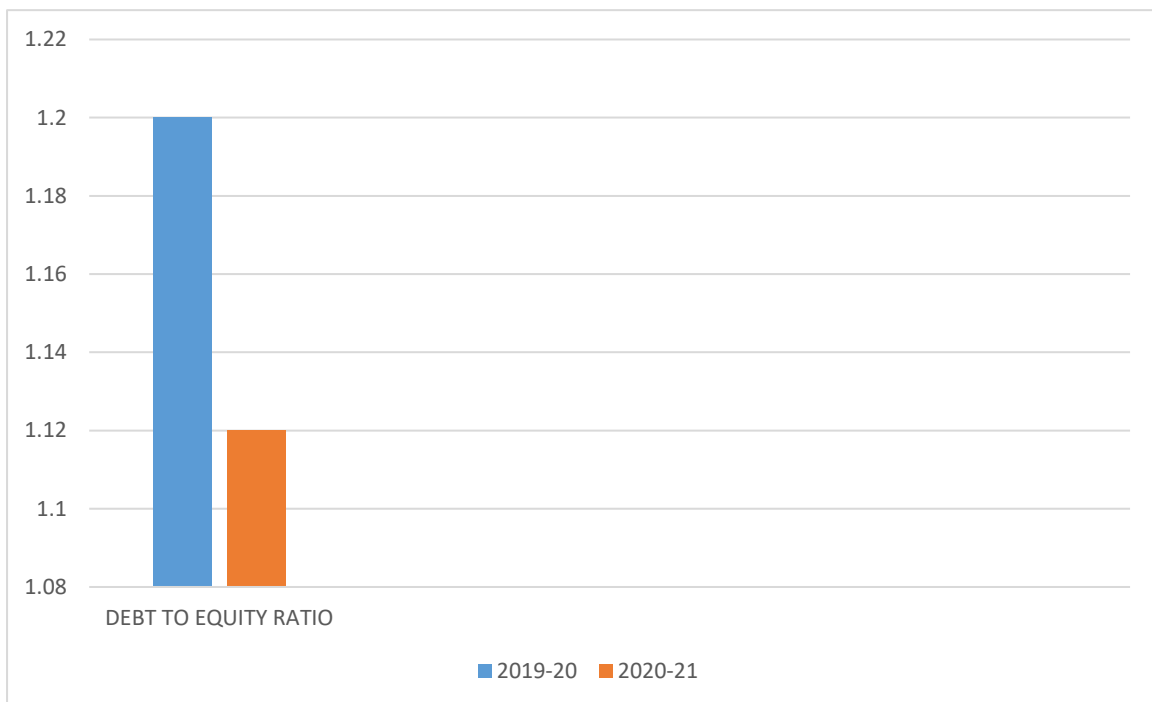
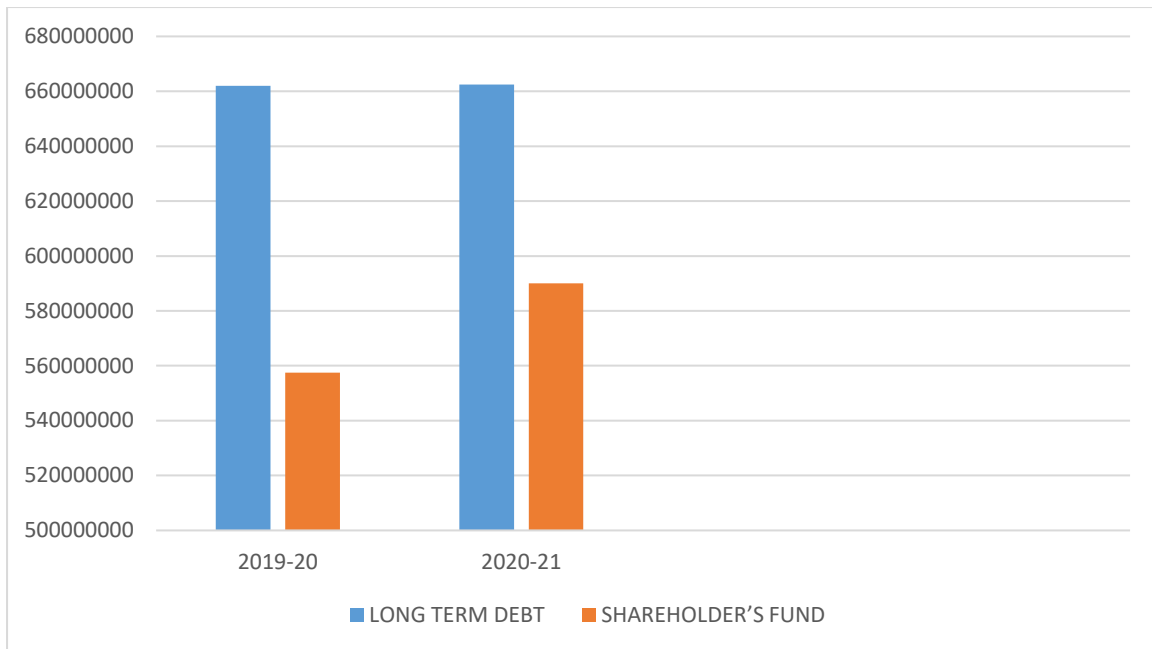


DEBT TO EQUITY RATIO

The debt-to-equity (D/E) ratio compares a company's total liabilities to its shareholder equity and can be used to evaluate how much leverage a company is using. Higher-leverage ratios tend to indicate a company or stock with higher risk to shareholders.

DEBT TO EQUITY RATIO = LONG TERM DEBT / SHAREHOLDER' FUND

YEAR	LONG TERM DEBT	SHAREHOLDER'S FUND	DEBT EQUITY RATIO
2020-21	662500000	590000000	1.12
2019-20	661950000	557530000	1.20



FINDINGS AND SUGGESTION

- Current ratio is not satisfactory which indicates that there is heavy investment on current assets & under utilisation of resources.
- The organisation has to maintain provision for Depreciation and also made provision for unfortunate losses.
- Working capitals are not utilized properly which results lower revenue.
- The management must achieve the target by utilising the current assets and reducing current liabilities.
- Management needs to make an effective management of cash and they need to invest the excessive cash in their hand to income generating activities.
- Company should make its fix time duration for receiving money of credit treatment.
- The organisation should try to increase its efficiency and liquidity position.
- The organisation should also try to utilize its resources properly.
- The organisation need to improve the current assets to maintain the stability.
- Currently, debt is higher than the standard equity rate so recommendation to decrease the long term debt to maintain stability.
- Recommendation to increase the turnover of the business to achieve the adequate net profit.
- The organisation needs to improve its stock turnover ratio by managing its stock efficiently.
- Management needs to make an effective management of working capital.

CONCLUSION

Credit Management System is the process of granting credit, setting the terms on which it is granted, and recovering this credit when it is due. In this study, I have used Financial statements as a tool to evaluate the financial health of AMRI Hospital, Bhubaneswar. Financial Statement Analysis plays a very important role in providing facts and figures for the decision for decision-makers. It determines a company's health and stability, providing an understanding of how a company conducts its business. If properly analyzed and interpreted, financial statements can provide valuable insight into a company's performance. Analysis of financial statements is of interest to lenders, investors, security analysts, managers, and others. I have studied the attached statement of profit and loss account, balance sheet, comparative balance sheet, common size balance sheet, and ratio analysis of AMRI Hospitals Ltd. The organization's overall status is at a good position. The current year position is good due to increase in profit level than previous. And It is better for the organization to diversify the funds to different sectors in the present market scenario because an organization has enough resources. The organization should manage its working capital effectively which affects its liquidity position and profitability. Improper utilization of resources decreases the organization's capability to earn maximum profit.

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