

**FMHL/SE/BM/AUGUST'21**

**August 10, 2021**

The General Manager  
Department of Corporate Services  
BSE Limited  
Phiroze Jee Jee Bhoy Towers,  
Dalal Street, Mumbai – 400 001  
Scrip Code: 523696

**Sub: Outcome of the Board Meeting**

Dear Sir,

Pursuant to the provisions of Regulation 30 of SEBI (Listing Obligations and Disclosures Requirement) Regulation, 2015, this is to inform you that the Board of Directors of the Company at its meeting held today i.e. August 10, 2021, *inter-alia*, considered and approved:-

1. Unaudited standalone and consolidated financial results of the Company for the quarter ended June 30, 2021 (“**Quarterly Results**”) along with limited review reports thereon.
2. Acceptance of resignation of Mr. CK Nageswaran from the office of Whole-time Director (**WTD**) and Key Managerial Personnel (**KMP**) of the Company due to personnel reasons. His last working day as WTD & KMP will be 2<sup>nd</sup> October 2021.

The Board Meeting commenced at 1330 Hours and concluded at 1645 Hours.

Please find enclosed Quarterly Results along with limited review reports thereon.

This is for your information and records please.

Yours faithfully  
For **Fortis Malar Hospitals Limited**

Digitaly signed by SANDEEP SINGH  
DN: cn=S. P. Singh, o=Fortis Malar Hospitals Limited, ou=Corporate Services, email=s.p.singh@fortismalar.com, c=IN  
**SANDEEP  
P SINGH**

**Sandeep Singh**  
**Company Secretary & Compliance Officer**  
**Membership No. F9877**

Encl.: as above

**FORTIS MALAR HOSPITALS LIMITED (CIN: L85110PB1989PLC045948)**  
**Regd. Office: Fortis Hospital, Sector 62, Phase – VIII, Mohali-160062**  
**Tel Numbers: 0172 5096001 & Tele Fax No : 0172 5096002**  
**Website: www.fortismalar.com; Email: secretarial.malar@malarhospitals.in**  
**STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30-JUNE-2021**

*(Rs. in lakhs except EPS)*

No.	Particulars	Standalone Quarter ended			Standalone Year ended	Consolidated Quarter ended			Consolidated Year ended
		30-June-2021	31-Mar-2021	30-June-2020	31-Mar-2021	30-June-2021	31-Mar-2021	30-June-2020	31-Mar-2021
		(Un audited)	(Audited) (Refer Note 1)	(Un audited)	(Audited)	(Un audited)	(Audited) (Refer Note 1)	(Un audited)	(Audited)
<b>1</b>	<b>Income</b>								
	a) Revenue from operations	2,318.09	1,983.43	943.38	6,924.41	2,318.09	1,983.43	943.38	6,924.41
	b) Other income	203.88	226.21	136.55	808.12	205.09	236.39	140.75	825.09
	<b>Total income</b>	<b>2,521.97</b>	<b>2,209.64</b>	<b>1,079.93</b>	<b>7,732.53</b>	<b>2,523.18</b>	<b>2,219.82</b>	<b>1,084.13</b>	<b>7,749.50</b>
<b>2</b>	<b>Expenses</b>								
	a) Purchase of medical consumables and drugs	555.76	352.04	165.02	1,437.68	555.76	352.04	165.02	1,437.68
	b) Changes in inventories of medical consumables and drugs	(12.71)	14.86	5.63	(32.02)	(12.71)	14.86	5.63	(32.02)
	c) Employee benefits expense	480.67	459.28	467.23	1,818.02	482.47	461.22	469.03	1,825.36
	d) Finance costs	172.13	175.82	183.05	719.88	172.13	175.82	183.05	719.88
	e) Professional charges / consultation fees to doctors	591.41	595.84	433.72	2,085.64	589.34	593.77	431.65	2,077.36
	f) Clinical establishment fees	170.01	149.74	70.05	518.35	170.01	149.74	70.05	518.35
	g) Depreciation and amortization expenses	308.34	318.17	321.06	1,287.54	308.34	318.18	321.06	1,287.54
	h) Other expenses	442.76	378.85	382.40	1,728.95	443.22	379.03	383.35	1,731.36
	<b>Total expenses</b>	<b>2,708.37</b>	<b>2,444.60</b>	<b>2,028.16</b>	<b>9,564.04</b>	<b>2,708.56</b>	<b>2,444.66</b>	<b>2,028.84</b>	<b>9,565.51</b>
<b>3</b>	<b>Loss before exceptional items and taxes (1-2)</b>	<b>(186.40)</b>	<b>(234.96)</b>	<b>(948.23)</b>	<b>(1,831.51)</b>	<b>(185.38)</b>	<b>(224.84)</b>	<b>(944.71)</b>	<b>(1,816.01)</b>
<b>4</b>	<b>Exceptional items (refer note 5)</b>	-	-	<b>547.88</b>	<b>684.85</b>	-	-	<b>547.88</b>	<b>684.85</b>
<b>5</b>	<b>Loss from ordinary activities before tax (3+4)</b>	<b>(186.40)</b>	<b>(234.96)</b>	<b>(400.35)</b>	<b>(1,146.66)</b>	<b>(185.38)</b>	<b>(224.84)</b>	<b>(396.83)</b>	<b>(1,131.16)</b>
<b>6</b>	<b>Tax expense</b>	<b>(51.19)</b>	<b>(97.01)</b>	<b>(105.67)</b>	<b>(345.33)</b>	<b>(50.93)</b>	<b>(95.86)</b>	<b>(105.09)</b>	<b>(344.29)</b>
	- Current tax	-	-	-	-	0.27	2.57	0.59	3.99
	- Earlier year income tax	-	(13.89)	-	(13.89)	-	(15.28)	-	(16.78)
	- Deferred tax	(51.19)	(83.12)	(105.67)	(331.44)	(51.20)	(83.15)	(105.68)	(331.50)
<b>7</b>	<b>Loss after tax (5-6)</b>	<b>(135.21)</b>	<b>(137.95)</b>	<b>(294.68)</b>	<b>(801.33)</b>	<b>(134.45)</b>	<b>(128.98)</b>	<b>(291.74)</b>	<b>(786.87)</b>
	Other comprehensive income / (loss) (net of tax)								
	Items that will not be reclassified subsequently to the statement of profit and loss:								
	(a) Remeasurements of defined benefit liability	(8.03)	13.57	(16.70)	28.16	(8.03)	13.65	(16.70)	28.24
	(b) Income tax relating to items that will not be reclassified to profit or loss	2.23	(3.77)	4.65	(7.83)	2.23	(3.79)	4.65	(7.85)
<b>8</b>	<b>Other comprehensive income / (loss) (net of tax)</b>	<b>(5.80)</b>	<b>9.80</b>	<b>(12.05)</b>	<b>20.33</b>	<b>(5.80)</b>	<b>9.86</b>	<b>(12.05)</b>	<b>20.39</b>
<b>9</b>	<b>Total comprehensive loss for the period / year (7+8)</b>	<b>(141.01)</b>	<b>(128.15)</b>	<b>(306.73)</b>	<b>(781.00)</b>	<b>(140.25)</b>	<b>(119.12)</b>	<b>(303.79)</b>	<b>(766.48)</b>
	Total comprehensive loss attributable to:								
	- Owners of the company	NA	NA	NA	NA	(140.25)	(119.12)	(303.79)	(766.48)
	- Non-controlling interests	NA	NA	NA	NA	-	-	-	-
10	Paid up equity share capital (face value Rs.10 each)	1,875.70	1,875.70	1,875.70	1,875.70	1,875.70	1,875.70	1,875.70	1,875.70
11	Reserves excluding revaluation reserves - other equity	NA	NA	NA	6,785.88	NA	NA	NA	6,998.76
<b>12</b>	<b>Earnings Per Share (EPS) based on (7) above (of Rs. 10 each) - (Not annualised in the quarters)</b>								
	- Basic	(0.72)	(0.74)	(1.57)	(4.28)	(0.72)	(0.69)	(1.56)	(4.20)
	- Diluted	(0.72)	(0.74)	(1.57)	(4.28)	(0.72)	(0.69)	(1.56)	(4.20)

**FORTIS MALAR HOSPITALS LIMITED (CIN: L85110PB1989PLC045948)**

**Regd. Office: Fortis Hospital, Sector 62, Phase – VIII, Mohali-160062**

**Tel Numbers: 0172 5096001 & Tele Fax No : 0172 5096002**

**Website: www.fortismalar.com; Email: secretarial.malar@malarhospitals.in**

**STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30-JUNE-2021**

**Notes:**

- 1 The unaudited standalone and consolidated financial results for the quarter ended 30 June 2021 has been reviewed by the Audit and Risk Management Committee and subsequently approved by the Board of Directors at their respective meeting held on 10 August 2021. The above results have been subjected to limited review by the Statutory auditors of the Company. The auditors have issued an unmodified review report. Further, the standalone and consolidated figures for the quarter ended 31 March 2021 are the balancing figures between audited figures in respect of the full financial year ended 31 March 2021 and the published unaudited year to date figures upto the end of the third quarter of the previous financial year, which were subjected to limited review and were not subjected to audit.
- 2 These unaudited financial results have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 3 The consolidated financial results includes the financial results of the Company Fortis Malar Hospitals Limited and the financial results of its subsidiary company Malar Stars Medicare Limited (collectively known as "Group").
- 4 The Company is engaged in the Healthcare Services, which in the context of Indian Accounting Standard (Ind AS) 108 - Operating Segments is considered as the only reportable segment of the Company.
- 5 Exceptional items amounting to Rs. 547.88 lakhs and Rs.684.85 lakhs relates to the agreed amounts of unconditional waiver/ concession of fixed clinical establishment fees for the quarter ended 30 June 2020 and year ended 31 March 2021 received from Fortis Health Management Limited. The waiver/ concession has been provided on account of COVID 19 Pandemic. In accounting for this waiver/ concession, the Company has applied the practical expedient to such concessions as they meet the conditions specified in the notification dated 24 July 2020 issued by the Ministry of Corporate Affairs, India.
- 6 A request for regularization of the hospital building in which the Company operates today, was made earlier vide an application dated 29th May 1999 to the Chennai Metropolitan Development Authority (CMDA). In the year 2012, Land and hospital building was sold by Fortis Malar Hospitals Limited ("Company") to Fortis Health Management Limited ("FHML"). The Company and FHML had also simultaneously entered into a "Hospital and Medical Services Agreement" w.r.t. rendering of medical and healthcare services at the hospital premises (including right to use of the hospital building). CMDA by its Order dated 18 March 2016 (Rejection Order), rejected the regularisation application that was submitted in the year 1999. A statutory appeal was preferred in April 2016 before the Secretary to the Government of Tamil Nadu, Housing and Urban Development Authority ("Authority") challenging the said rejection. During the pendency of the statutory appeal, on 3 May 2016, CMDA served a "Lock & Seal" Notice stating that in view of Rejection Order, the construction at the site of the Hospital premises is unauthorized and called upon to restore the land to its original state within 30 days from the date of the Notice. A writ petition was filed before the Hon'ble High Court of Judicature at Madras which set aside the "Lock & Seal" Notice and ordered that no coercive steps should be taken by CMDA, till disposal of the statutory appeal. The said appeal is still subjudice. At the request of the Company, CMDA inspected the hospital building and issued a letter dated 25 August 2020, wherein certain clearances and certificates were sought within 30 days in connection with the regularization. In this regard, an extension of time was sought in November 2020. Simultaneously, actions were initiated for collating/ obtaining requisitioned clearances and certificates which involves taking a number of actions and significant expenses and capital expenditure. During the ongoing pandemic, there have been lockdowns resulting in limited and restricted access to various offices all across, which has slowed down the progress of actions initiated. The Company is taking bonafide steps to complete the process of submission of the clearances and certificates sought by CMDA. On 20 May 2021 an update has been sent to CMDA confirming that out of six requirements, as set out in the letter dated 25 August 2020, three have already been complied with and steps were underway for completion of the remaining actions. While the Company is co-operating to get all the clearances, based on legal advice, the Company is of the view that it is not required to bear any expenses, revenue or capital in nature, incurred towards regularisation of building and obtaining the requisite clearances and certificates (or for the expenses that may be incurred in the unlikely event that the regularisation is not approved) as all such expenses will be borne by FHML. The Company also continues to believe that all Orders / Notices issued by CMDA prima facie would not result in any significant adverse impact on its operations/financial statements or on the going concern status.
- 7 In March 2020, the World Health Organisation had declared Coronavirus (COVID – 19) to be a pandemic and consequently on March 24, 2020, the Government of India had ordered a nationwide lockdown, which got extended in phases as a result the economic activities were severely disrupted during the first half of the previous financial year. The economy gradually opened and the second half of the year was progressing towards recovery. However, a much stronger second wave of Covid-19 infections hit the country towards the end of financial year 2020-21 and continued in the current quarter. The Company has taken measures to protect the health of its employees and ensure business continuity with minimal disruption. The Company has considered internal and external information while finalizing various estimates in relation to these financials and use of the going concern basis for preparation of these financials upto the date of approval of these financial results by the Board of Directors. Accordingly, the Management believes that the Company will not have any challenge in meeting its financial obligations for the next 12 months based on the financial position and liquidity as on the date of signing of these financial results. The actual impact of the global health pandemic may be different from the estimate, as the COVID 19 situation is still evolving in India and globally. However, the Company will continue to closely monitor any material changes to future economic condition.
- 8 Figures for the prior periods / year have been reclassified/ regrouped wherever required to conform to the classification of the current periods / year.
- 9 These financial results are available on the BSE website (www.bseindia.com) and on the Company's website (www.fortismalar.com).

By Order of the Board  
**Fortis Malar Hospitals Limited**  
CIN: L85110PB1989PLC045948

**NAGESWARAN**  
**KALYANRAMA**  
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Date: 2021.08.10  
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**C.K.Nageswaran**  
Whole Time Director  
DIN 08236347

Place : Chennai  
Date: 10 August 2021

# B S R & Co. LLP

Chartered Accountants

KRM Tower, 1<sup>st</sup> & 2<sup>nd</sup> Floors,  
No.1, Harrington Road, Chetpet,  
Chennai – 600 031, India

Telephone: + 91 44 4608 3100  
Fax: + 91 44 4608 3199

## Limited review report on unaudited quarterly standalone financial results of Fortis Malar Hospitals Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To  
Board of Directors of **Fortis Malar Hospitals Limited**

1. We have reviewed the accompanying Statement of unaudited standalone financial results of **Fortis Malar Hospitals Limited** (“the Company”) for the quarter ended 30 June 2021 (“the Statement”).
2. This Statement, which is the responsibility of the Company’s management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “*Interim Financial Reporting*” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*” issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Attention is drawn to the fact that the figures for the 3 months ended 31 March 2021 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

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Principal Office:

## **B S R & Co. LLP**

### **Limited review report on unaudited quarterly standalone financial results of Fortis Malar Hospitals Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**Page 2 of 2**

6. We draw attention to Note 6 to the standalone financial results which describes the litigation and issues pertaining to regularisation of the hospital building in which the Company operates today and the related matters. A letter was received from Chennai Metropolitan Development Authority (CMDA) on 25 August 2020, wherein certain clearances and certificates were sought within 30 days in connection with the regularisation. The Company is taking steps to complete the process of submission of the sought clearances and certificates, which involves taking a number of actions and significant expenses and capital expenditure. While the Company is co-operating to get all the clearances, it has been legally advised that, as per the agreement between the Company and Fortis Health Management Limited (FHML), it is not required to bear any expenses, revenue or capital nature, incurred towards regularisation of building and obtaining the requisite clearances and certificates (or for the expenses that may need to be incurred in the unlikely event that the regularisation is not approved) as all such expenses will be borne by FHML. The Company also continues to believe that all Orders / Notices issued by CMDA prima facie would not result in any significant adverse impact on its operations/financial results or on the going concern status.

Our conclusion is not modified in respect of this matter.

*for B S R & Co. LLP*

*Chartered Accountants*

Firm's Registration No. 101248W/W-100022

**HARSH VARDHAN  
LAKHOTIA**

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VARDHAN LAKHOTIA

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**Harsh Vardhan Lakhota**

*Partner*

Membership No. 222432

ICAI UDIN: 21222432AAAACJ8762

Place: Chennai

Date: 10 August 2021

# B S R & Co. LLP

Chartered Accountants

KRM Tower, 1<sup>st</sup> & 2<sup>nd</sup> Floors,  
No.1, Harrington Road, Chetpet,  
Chennai – 600 031, India

Telephone: + 91 44 4608 3100  
Fax: + 91 44 4608 3199

## **Limited review report on unaudited quarterly consolidated financial results of Fortis Malar Hospitals Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To  
Board of Directors of **Fortis Malar Hospitals Limited**

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of **Fortis Malar Hospitals Limited** (“the Parent”) and its subsidiary Company (the Parent and its subsidiary together referred to as “the Group”), for the quarter ended 30 June 2021 (“the Statement”), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (‘Listing Regulations’).
2. This Statement, which is the responsibility of the Parent’s management and approved by the Parent’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “*Interim Financial Reporting*” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*”, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.  
  
We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.
4. The Statement includes the results of the subsidiary Company, Malar Stars Medicare Limited.
5. Attention is drawn to the fact that the figures for the 3 months ended 31 March 2021 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.

Principal Office:

## **B S R & Co. LLP**

### **Limited review report on unaudited quarterly consolidated financial results of Fortis Malar Hospitals Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**Page 2 of 2**

6. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. We draw attention to Note 6 to the consolidated financial results which describes the litigation and issues pertaining to regularisation of the hospital building in which the Holding Company operates today and the related matters. A letter was received from Chennai Metropolitan Development Authority (CMDA) on 25 August 2020, wherein certain clearances and certificates were sought within 30 days in connection with the regularisation. The Holding Company is taking steps to complete the process of submission of the sought clearances and certificates, which involves taking a number of actions and significant expenses and capital expenditure. While the Holding Company is co-operating to get all the clearances, it has been legally advised that, as per the agreement between the Holding Company and Fortis Health Management Limited (FHML), it is not required to bear any expenses, revenue or capital nature, incurred towards regularisation of building and obtaining the requisite clearances and certificates (or for the expenses that may need to be incurred in the unlikely event that the regularisation is not approved) as all such expenses will be borne by FHML. The Holding Company also continues to believe that all Orders / Notices issued by CMDA prima facie would not result in any significant adverse impact on its operations/financial results or on the going concern status.

Our conclusion is not modified in respect of this matter.

*for B S R & Co. LLP*

*Chartered Accountants*

Firm's Registration No. 101248W/W-100022

**HARSH VARDHAN  
LAKHOTIA**

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VARDHAN LAKHOTIA

Date: 2021.08.10 16:39:11  
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**Harsh Vardhan Lakhotia**

*Partner*

Membership No. 222432

ICAI UDIN: 21222432AAAACI5464

Place: Chennai

Date: 10 August 2021