

FMHL/SE/BM/NOVEMBER'21

November 8, 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. November 8, 2021, *inter-alia*, considered and approved unaudited standalone and consolidated financial results of the Company for the quarter ended September 30, 2021 ("**Quarterly Results**").

The Board Meeting commenced at 1430 Hours and concluded at 1800 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

SANDEEP SINGH

Sandeep Singh
Company Secretary & Compliance Officer
Membership No. F9877

Encl.: as above

Digitally signed by SANDEEP SINGH
DN: cn=Sandeep Singh,
o=Fortis Malar Hospitals Limited,
ou=Corporate Services,
email=sandeepp@fortismalar.com,
c=IN

B S R & Co. LLP

Chartered Accountants

KRM Tower, 1st & 2nd 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 September 2021 and year to date results for the period 1 April 2021 to 30 September 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. 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.

<This space has been intentionally left blank>

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

5. We draw attention to Note 8 to the standalone financial results which describes the litigation and issues pertaining to regularization 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 regularization. The Company is taking steps to complete the process of submission of the sought clearances and certificates, which involves taking a number of actions, 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 regularization 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 regularization 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 BSR & Co. LLP

Chartered Accountants

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

Harsh Vardhan Lakhota

Partner

Membership No. 222432

ICAI UDIN: 21222432AAAADA5725

Place: Chennai

Date: 8 November 2021

B S R & Co. LLP

Chartered Accountants

KRM Tower, 1st & 2nd 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 / Holding company”) and its subsidiary Company (the Parent and its subsidiary together referred to as “the Group”), for the quarter ended 30 September 2021 and year to date results for the period from 1 April 2021 to 30 September 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.

<This space has been intentionally left blank>

Principal Office:

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

5. 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.

6. We draw attention to Note 8 to the consolidated financial results which describes the litigation and issues pertaining to regularization 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 regularization. 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, 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 regularization 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 regularization 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 BSR & Co. LLP

Chartered Accountants

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

Harsh Vardhan Lakhotia

Partner

Membership No. 222432

ICAI UDIN: 21222432AAAACZ9163

Place: Chennai

Date: 8 November 2021

STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30-SEPTEMBER-2021

(Rs. in lakhs except equity share data)

No.	Particulars	Standalone Quarter ended			Standalone Half year ended		Standalone Year ended	Consolidated Quarter ended			Consolidated Half year ended		Consolidated Year ended
		30-Sept-2021	30-June-2021	30-Sept-2020	30-Sept-2021	30-Sept-2020	31-Mar-2021	30-Sept-2021	30-June-2021	30-Sept-2020	30-Sept-2021	30-Sept-2020	31-Mar-2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income												
	a) Revenue from operations	1,992.80	2,318.09	1,713.80	4,310.89	2,657.18	6,924.41	1,992.80	2,318.09	1,713.80	4,310.89	2,657.18	6,924.41
	b) Other income	197.14	203.88	269.31	401.02	405.86	808.12	198.56	205.09	270.71	403.65	411.46	825.09
	Total income	2,189.94	2,521.97	1,983.11	4,711.91	3,063.04	7,732.53	2,191.36	2,523.18	1,984.51	4,714.54	3,068.64	7,749.50
2	Expenses												
	a) Purchase of medical consumables and drugs	434.15	555.76	407.79	989.91	572.81	1,437.68	434.15	555.76	407.79	989.91	572.81	1,437.68
	b) Changes in inventories of medical consumables and drugs	(24.05)	(12.71)	(25.39)	(36.76)	(19.76)	(32.02)	(24.05)	(12.71)	(25.39)	(36.76)	(19.76)	(32.02)
	c) Employee benefits expense	469.45	480.67	411.63	950.12	878.86	1,818.02	471.25	482.47	413.43	953.72	882.46	1,825.36
	d) Finance costs	167.43	172.13	180.94	339.56	363.99	719.88	167.43	172.13	180.94	339.56	363.99	719.88
	e) Professional charges / consultation fees to doctors	610.95	591.41	470.24	1,202.36	903.96	2,085.64	608.88	589.34	468.17	1,198.22	899.82	2,077.36
	f) Clinical establishment fees	146.99	170.01	127.95	317.00	198.00	518.35	146.99	170.01	127.95	317.00	198.00	518.35
	g) Depreciation and amortization expenses	309.04	308.34	323.60	617.38	644.66	1,287.54	309.04	308.34	323.60	617.38	644.66	1,287.54
	h) Other expenses	454.55	442.76	467.75	897.31	850.15	1,728.95	455.01	443.22	468.56	898.23	851.91	1,731.36
	Total expenses	2,568.51	2,708.37	2,364.51	5,276.88	4,392.67	9,564.04	2,568.70	2,708.56	2,365.05	5,277.26	4,393.89	9,565.51
3	Loss before exceptional items and taxes (1-2)	(378.57)	(186.40)	(381.40)	(564.97)	(1,329.63)	(1,831.51)	(377.34)	(185.38)	(380.54)	(562.72)	(1,325.25)	(1,816.01)
4	Exceptional items (refer note 7)	-	-	-	-	547.88	684.85	-	-	-	-	547.88	684.85
5	Loss from ordinary activities before tax (3+4)	(378.57)	(186.40)	(381.40)	(564.97)	(781.75)	(1,146.66)	(377.34)	(185.38)	(380.54)	(562.72)	(777.37)	(1,131.16)
6	Tax expense	-	(51.19)	(106.50)	(51.19)	(212.17)	(345.33)	0.30	(50.93)	(107.44)	(50.63)	(212.53)	(344.29)
	- Current tax	-	-	-	-	-	-	0.31	0.27	0.57	0.58	1.16	3.99
	- Earlier year income tax	-	-	-	-	-	(13.89)	-	-	(1.50)	-	(1.50)	(16.78)
	- Deferred tax	-	(51.19)	(106.50)	(51.19)	(212.17)	(331.44)	(0.01)	(51.20)	(106.51)	(51.21)	(212.19)	(331.50)
7	Loss after tax (5-6)	(378.57)	(135.21)	(274.90)	(513.78)	(569.58)	(801.33)	(377.64)	(134.45)	(273.10)	(512.09)	(564.84)	(786.87)
	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	(43.19)	(8.03)	39.75	(51.22)	23.05	28.16	(43.19)	(8.03)	39.75	(51.22)	23.05	28.24
	(b) Income tax relating to items that will not be reclassified to profit or loss	-	2.23	(11.06)	2.23	(6.41)	(7.83)	-	2.23	(11.06)	2.23	(6.41)	(7.85)
		(43.19)	(5.80)	28.69	(48.99)	16.64	20.33	(43.19)	(5.80)	28.69	(48.99)	16.64	20.39
8	Other comprehensive income / (loss) (net of tax)	(43.19)	(5.80)	28.69	(48.99)	16.64	20.33	(43.19)	(5.80)	28.69	(48.99)	16.64	20.39
9	Total comprehensive loss for the period / year (7+8)	(421.76)	(141.01)	(246.21)	(562.77)	(552.94)	(781.00)	(420.83)	(140.25)	(244.41)	(561.08)	(548.20)	(766.48)
	Total comprehensive loss attributable to												
	- Owners of the company	NA	NA	NA	NA	NA	NA	(420.83)	(140.25)	(244.41)	(561.08)	(548.20)	(766.48)
	- Non-controlling interests	NA	NA	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	1,875.70	1,875.70	1,875.70	1,875.70
11	Reserves excluding revaluation reserves - other equity	NA	NA	NA	NA	NA	6,785.88	NA	NA	NA	NA	NA	6,998.76
12	Earnings Per Share (EPS) based on (7) above (of Rs. 10 each) - (Not annualised in the quarters and the half year)												
	- Basic	(2.02)	(0.72)	(1.47)	(2.74)	(3.04)	(4.28)	(2.01)	(0.72)	(1.45)	(2.73)	(3.01)	(4.20)
	- Diluted	(2.02)	(0.72)	(1.47)	(2.74)	(3.04)	(4.28)	(2.01)	(0.72)	(1.45)	(2.73)	(3.01)	(4.20)

STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30-SEPTEMBER-2021

Notes:

I. STANDALONE AND CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(Rs. in lakhs)

Particulars	Standalone		Consolidated	
	As at 30-Sept-2021	As at 31-Mar-2021	As at 30-Sept-2021	As at 31-Mar-2021
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
ASSETS				
Non-current assets				
(a) Property, plant and equipment	1,401.12	1,490.46	1,401.12	1,490.46
(b) Capital work-in-Progress	-	35.95	-	35.95
(c) Right of use assets	4,811.34	5,223.40	4,811.34	5,223.40
(d) Other intangible assets	94.66	138.52	94.66	138.52
(e) Intangible assets under development	10.78	-	10.78	-
(f) Financial assets				
(i) Investment in subsidiary	5.00	5.00	-	-
(ii) Loans	2,800.00	2,800.00	2,800.00	2,800.00
(iii) Other financial assets	55.41	56.14	55.41	56.14
(g) Deferred tax assets (net)	898.99	845.57	899.45	846.02
(h) Income tax assets (net)	445.89	297.68	464.09	316.03
(i) Other non-current assets	4.10	5.64	4.10	5.64
Total non-current assets	10,527.29	10,898.36	10,540.95	10,912.16
Current assets				
(a) Inventories	199.43	162.67	199.43	162.67
(b) Financial assets				
(i) Trade receivables	302.37	209.11	302.37	209.11
(ii) Cash and cash equivalents	640.93	546.11	825.22	742.76
(iii) Bank balances other than (ii) above	640.05	613.99	665.05	613.99
(iv) Loans	3,500.00	3,500.00	3,500.00	3,500.00
(v) Other financial assets	324.78	456.69	325.88	457.53
(c) Income tax assets (net)	-	185.94	-	185.94
(d) Other current assets	150.99	125.67	150.99	125.67
Total current assets	5,758.55	5,800.18	5,968.94	5,997.67
Total assets	16,285.84	16,698.54	16,509.89	16,909.83
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	1,875.70	1,875.70	1,875.70	1,875.70
(b) Other equity	6,223.11	6,785.88	6,437.69	6,998.76
Total equity	8,098.81	8,661.58	8,313.39	8,874.46
Liabilities				
Non-current liabilities				
(a) Financial liabilities				
(i) Lease liabilities	5,000.22	5,341.47	5,000.22	5,341.47
(b) Provisions	300.83	224.62	301.99	225.78
Total non-current liabilities	5,301.05	5,566.09	5,302.21	5,567.25
Current liabilities				
(a) Financial liabilities				
(i) Lease liabilities	648.07	376.00	648.07	376.00
(ii) Trade payables				
Total outstanding dues of micro enterprises and small enterprises	17.79	73.56	17.79	73.56
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,598.59	1,370.77	1,599.15	1,363.82
(iii) Other financial liabilities	31.83	56.68	31.83	56.68
(b) Provisions	121.64	103.80	122.33	104.42
(c) Other current liabilities	468.06	490.06	475.12	493.64
Total current liabilities	2,885.98	2,470.87	2,894.29	2,468.12
Total liabilities	8,187.03	8,036.96	8,196.50	8,035.37
Total equity and liabilities	16,285.84	16,698.54	16,509.89	16,909.83

STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30-SEPTEMBER-2021

Notes:

2. STANDALONE AND CONSOLIDATED STATEMENT OF CASH FLOWS

(Rs. in lakhs)

Particulars	Standalone		Consolidated	
	Half year ended 30-Sept-2021	Half year ended 30-Sept-2020	Half year ended 30-Sept-2021	Half year ended 30-Sept-2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Cash flows from operating activities				
Loss before tax for the period	(564.97)	(781.75)	(562.72)	(777.37)
<i>Adjustments for:</i>				
Interest income	(379.97)	(306.11)	(382.60)	(311.71)
Depreciation and amortisation expense	617.38	644.66	617.38	644.66
Interest expense on lease liability	325.17	353.38	325.17	353.38
Allowance for credit losses	23.78	26.63	23.78	26.63
Waiver / concession of fixed clinical establishment fees (refer note 7)	-	(547.88)	-	(547.88)
Liabilities no longer required written back	(21.05)	(99.75)	(21.05)	(99.75)
	0.34	(710.82)	(0.04)	(712.04)
<i>Movements in working capital:</i>				
Decrease / (increase) in other current and non-current financial assets	152.44	(76.45)	152.44	(76.45)
(Increase) in other current and non-current assets	(25.33)	(51.39)	(25.33)	(51.39)
(Increase) in trade and other receivables	(117.03)	(79.07)	(117.03)	(79.07)
(Increase) in inventories	(36.76)	(19.76)	(36.76)	(19.76)
Increase in provisions	42.83	8.98	42.90	9.04
Increase / (decrease) in trade payables	193.11	(368.00)	200.62	(371.80)
(Decrease) / increase in other current liabilities	(22.00)	38.75	(18.50)	36.91
Cash generated from / (used in) operations	187.60	(1,257.76)	198.30	(1,264.56)
Income taxes refund (Net)	37.72	716.49	37.29	749.79
Net cash generated from / (used in) operating activities (A)	225.32	(541.27)	235.59	(514.77)
Cash flows from investing activities				
Payments to acquire property, plant and equipment and intangible assets	(70.26)	(43.80)	(70.26)	(43.80)
Interest received	360.17	286.56	362.54	292.70
Inter corporate deposits placed with related parties	-	(2,800.00)	-	(2,800.00)
Bank balances not considered as cash and cash equivalents	(26.06)	(0.07)	(51.06)	(0.07)
Net cash generated from / (used in) investing activities (B)	263.85	(2,557.31)	241.22	(2,551.17)
Cash flows from financing activities				
Repayment of lease liabilities including interest on lease liabilities	(394.35)	(376.09)	(394.35)	(376.09)
Net cash used in financing activities (C)	(394.35)	(376.09)	(394.35)	(376.09)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	94.82	(3,474.67)	82.46	(3,442.03)
Cash and cash equivalents at the beginning of the year	546.11	4,150.97	742.76	4,304.92
Cash and cash equivalents at the end of the year	640.93	676.30	825.22	862.89

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 AND SIX MONTHS ENDED 30-SEPTEMBER-2021

Notes:

- 3 The unaudited standalone and consolidated financial results for the quarter and six months ended 30 September 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 8 November 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.
- 4 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.
- 5 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").
- 6 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.
- 7 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 six months ended 30 September 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.
- 8 Request for regularization of the hospital building in which the Company operates was made vide an application dated 29th May 1999 to Chennai Metropolitan Development Authority ("CMDA"). In the year 2012, Land and hospital building was sold by the Company to Fortis Health Management Limited ("FHML"). Company and FHML had also simultaneously entered into a "Hospital and Medical Services Agreement" w.r.t. rendering of medical and healthcare services in the hospital premises (including right to use of the hospital building). CMDA by its Order dated 18th March 2016 ("Rejection Order") rejected the regularization application that was submitted in the year 1999. A statutory appeal was preferred in April 2016 before 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 3rd May 2016, CMDA served a "Lock & Seal" Notice stating that in view of the Rejection Order, 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 25th 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 number of actions, significant expenses and capital expenditure. During the ongoing pandemic, there were lockdowns resulting in limited and restricted access to various offices all across, which 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 20th May 2021, an update was sent to CMDA confirming that out of six requirements, as set out in their 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, Company is of the view that it is not required to bear any expenses, revenue or capital in nature, incurred towards regularization of building and for obtaining requisite clearances and certificates (or for the expenses that may be incurred in the unlikely event that the regularization 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.
- 9 In respect of Coronavirus (COVID – 19) pandemic, 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.
- 10 Figures for the prior periods / year have been reclassified/ regrouped wherever required to conform to the classification of the current periods / year.
- 11 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


Daljit Singh
Director
DIN :00135414

Place : Gurugram
Date: 08 November 2021