

## INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

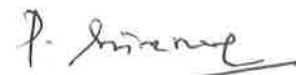
### TO THE BOARD OF DIRECTORS OF FORTIS MALAR HOSPITALS LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **Fortis Malar Hospitals Limited** ("the Company"), for the Quarter ended June 30, 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. 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 the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
2. 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.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)



**Sriraman Parthasarathy**

Partner

(Membership No. 206834)

Chennai, July 25, 2017  
PS/EKP&MS/2017



**STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2017**

(Rs. in Lakhs except EPS)

No.	Particulars	Standalone			
		Quarter ended		Year Ended	
		June 30, 2017 (Unaudited)	March 31, 2017 (Audited) (Refer Note 4)	June 30, 2016 (Unaudited)	March 31, 2017 (Audited)
<b>1</b>	<b>Income</b>				
	a) Revenue from operations	3,384.24	3,479.48	3,301.53	14,055.99
	b) Other Income	185.33	192.37	180.04	756.26
	<b>Total Income</b>	<b>3,569.57</b>	<b>3,671.85</b>	<b>3,481.57</b>	<b>14,812.25</b>
<b>2</b>	<b>Expenses</b>				
	a) Purchase of Medical Consumables and Drugs	738.88	606.96	717.98	2,941.59
	b) Changes in inventories of Medical Consumables and Drugs	(81.46)	59.20	(32.98)	29.92
	c) Employee Benefits Expense	538.02	509.16	471.43	1,978.52
	d) Finance Costs	11.22	15.44	8.62	45.81
	e) Professional Charges to Doctors	1,063.72	1,068.61	1,017.11	4,236.35
	f) Clinical Establishment Fees	502.00	503.20	485.00	2,003.17
	g) Depreciation and Amortization Expenses	100.80	99.48	93.86	394.09
	h) Other Expenses	728.41	774.98	628.76	2,778.97
	<b>Total Expenses</b>	<b>3,601.59</b>	<b>3,637.03</b>	<b>3,389.78</b>	<b>14,408.42</b>
<b>3</b>	<b>(Loss) / Profit from Ordinary Activities before Tax (1 - 2)</b>	<b>(32.02)</b>	<b>34.82</b>	<b>91.79</b>	<b>403.83</b>
<b>4</b>	<b>Tax expense</b>	<b>(10.69)</b>	<b>1.28</b>	<b>31.76</b>	<b>121.80</b>
<b>5</b>	<b>(Loss) / Net Profit from Ordinary Activities After Tax (3-4)</b>	<b>(21.33)</b>	<b>33.54</b>	<b>60.03</b>	<b>282.03</b>
<b>6</b>	<b>Other Comprehensive (Loss)/Income (net of taxes)</b>	<b>(4.76)</b>	<b>(3.26)</b>	<b>-</b>	<b>(24.04)</b>
<b>7</b>	<b>Total Comprehensive (Loss)/Income for the period (5+6)</b>	<b>(26.09)</b>	<b>30.28</b>	<b>60.03</b>	<b>257.99</b>
<b>8</b>	<b>Paid up Equity Share Capital (Face Value Rs.10 each)</b>	<b>1,869.95</b>	<b>1,867.95</b>	<b>1,862.08</b>	<b>1,867.95</b>
<b>9</b>	<b>Other Equity</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>7,959.97</b>
<b>10</b>	<b>Earnings Per Share (EPS) (of Rs. 10 each)</b>				
	- Basic	(0.11)	0.18	0.32	1.51
	- Diluted	(0.11)	0.18	0.32	1.50
		[not Annualised]	[not Annualised]	[not Annualised]	[Annualised]

**Notes :**

- The above unaudited financial results have been reviewed by the Audit and Risk Management Committee, approved and taken on record by the Board of Directors in their meeting held on July 25, 2017. The unaudited results for the quarter ended June 30, 2017 has been subject to limited review by the statutory auditors of the Company.
- The Company operates in a single segment (i.e.) Healthcare Services and hence, does not have any additional disclosures to be made under IND AS 108 - Operating Segments.
- The Board of Directors of the Company at its meeting held on August 19, 2016 approved the proposal for the sale of its hospital business by way of a slump sale to Fortis Healthcare Limited (FHL) pursuant to a composite scheme of Arrangement and Amalgamation between the Company, FHL and SRL Limited ("SRL"). Further, pursuant to the said composite Scheme, the diagnostic business of FHL (including investments held in SRL) shall get demerged into the Company in lieu of equity shares to be issued by the Company to the shareholders of FHL. The demerger shall be followed by SRL being merged with the Company as an integral part of the same composite scheme and shares of the Company to be issued to the eligible shareholders of SRL. The appointed date for the above under the composite scheme is January 1, 2017. The composite scheme of arrangement and amalgamation is subject to various judicial/regulatory and other required approvals. Pending such approvals, no effect of the proposed Scheme has been given in the Financial Results.
- Standalone figures for the quarter ended March 31, 2017 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures up to the third quarter for the financial year 2016-17.

**By Order of the Board  
For and on Behalf of Board of Directors**

**Darjit Singh  
Chairman  
DIN No.00135414**

Place: Chennai  
Date : July 25, 2017

