

FMHL/SE/BM/FEB'21

February 1, 2021

The General Manager
Department of Corporate Services
BSE Limited
PhirozeJeejeebhoy 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. February 1, 2021, *inter-alia*, considered and approved Un-audited standalone and consolidated financial results of the Company for the quarter and period ended on December 31, 2020 along with limited review reports thereon.

Please find enclosed Un-audited standalone and consolidated financial results along with limited review reports for quarter and period ended on December 31, 2020.

Further, Board of Directors of the Company at its meeting held today i.e. February 1, 2021, considered and recommended to the Shareholders of the Company, the candidature of Ms. Shailaja Chandra (DIN: 03320688 and aged 76 years) to be appointed as an Independent Director of the Company for a period of five years, not liable to retire by rotation.

In terms of Regulations 17(1A) of SEBI LODR, the appointment of Ms. Shailaja Chandra will be effective from the date of approval of the Shareholders of the Company by way of special resolution.

Brief Profile of Ms. Shailaja Chandra is attached herewith and marked as **Annexure 1.**

Ms. Shailaja Chandra has declared that, she is not debarred from accessing the capital markets and / or restrained from holding any position / office of director in a company pursuant to order of SEBI or any other such authority. Further, there is no inter se relationship between Ms. Shailaja Chandra and other Directors of the Company.

The Board Meeting commenced at 1430 Hours and concluded at 1735 Hours.

This is for your information and records please.

Yours faithfully
For **Fortis Malar Hospitals Limited**

Mayank Jain
Company Secretary & Compliance Officer
M. No. A26620

Annexure-1

PROFILE IN BRIEF

Shailaja Chandra has spent over 15 years in the Health sector and was a Secretary in the Ministry of Health & Family Welfare, Government of India and later Delhi's only woman Chief Secretary

Shailaja Chandra has been a career civil servant (a member of the Indian Administrative Service,) for 38 years followed by a series of post-retirement assignments carrying executive responsibilities. During her long service career in the Central Government, she was posted over three tenures with the Ministries of Defence, Power and Health. At the state level, Ms. Chandra was posted across the country in Maharashtra, Manipur, Goa, Delhi and the Andaman & Nicobar Islands.

Since retirement Ms Chandra has held Board/ Management Committee level positions under the Government, the NGO sector as well as listed Indian companies.

She is a prolific writer and is regularly invited as a policy analyst by the print and electronic media to comment on matters of Governance, Health, Gender and current developments in Delhi, the capital of India. She has been invited several times to Chair or speak at International conferences organised by OECD as well as by Indian Universities, think tanks and health related forums.

EDUCATION & FELLOWSHIPS

- M.Sc. Economics, University of Wales, UK. (1982)
- B.A. (Honours), English Literature from Miranda House, University of Delhi (1964).
- Fellow at the Institute of Advanced Studies, Nantes, France-2012. (Director's Guest)
- Senior Visiting Fellow Shiv Nadar University until 2016.

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: secretarialmalar@malarhospitals.in

STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31-DECEMBER-2020

No.	Particulars	Standalone Quarter ended			Standalone Nine Months ended		Standalone Year ended	Consolidated Quarter ended			Consolidated Nine Months ended		Consolidated Year ended
		31-Dec-2020	30-Sept-2020	31-Dec-2019	31-Dec-2020	31-Dec-2019	31-Mar-2020	31-Dec-2020	30-Sept-2020	31-Dec-2019	31-Dec-2020	31-Dec-2019	31-Mar-2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income												
	a) Revenue from operations	2,283.80	1,713.80	2,713.43	4,940.98	8,971.23	11,187.20	2,283.80	1,713.80	2,713.43	4,940.98	8,971.23	11,187.20
	b) Other income	176.05	269.31	301.68	581.91	742.48	1,092.34	177.24	270.71	303.82	588.70	766.66	1,118.58
	Total income	2,459.85	1,983.11	3,015.11	5,522.89	9,713.71	12,279.54	2,461.04	1,984.51	3,017.25	5,529.68	9,737.89	12,305.78
2	Expenses												
	a) Purchase of medical consumables and drugs	512.83	407.79	407.80	1,085.64	1,805.48	2,097.21	512.83	407.79	407.80	1,085.64	1,805.48	2,097.21
	b) Changes in inventories of medical consumables and drugs	(27.12)	(25.39)	5.27	(46.88)	21.19	34.16	(27.12)	(25.39)	5.27	(46.88)	21.19	34.16
	c) Employee benefits expense	479.88	411.63	529.62	1,358.74	1,668.44	2,145.54	481.68	413.43	531.42	1,364.14	1,675.64	2,155.45
	d) Finance costs	180.07	180.94	195.08	544.06	589.98	780.79	180.07	180.94	195.08	544.06	589.98	780.79
	e) Professional charges / consultation fees to doctors	585.84	470.24	834.18	1,489.80	2,820.08	3,559.36	583.77	468.17	832.11	1,483.59	2,811.80	3,549.01
	f) Clinical establishment fees	170.61	127.95	203.49	368.61	668.09	823.06	170.61	127.95	203.49	368.61	668.09	823.06
	g) Depreciation and amortization expenses	324.71	323.60	319.96	969.37	927.38	1,253.11	324.70	323.60	319.96	969.36	927.38	1,253.11
	h) Other expenses	499.95	467.75	768.21	1,350.10	2,094.22	2,801.88	500.42	468.56	769.99	1,352.33	2,097.65	2,806.49
	Total expenses	2,726.77	2,364.51	3,263.61	7,119.44	10,594.86	13,495.11	2,726.96	2,365.05	3,265.12	7,120.85	10,597.21	13,499.28
3	Loss before exceptional items and taxes (1-2)	(266.92)	(381.40)	(248.50)	(1,596.55)	(881.15)	(1,215.57)	(265.92)	(380.54)	(247.87)	(1,591.17)	(859.32)	(1,193.50)
4	Exceptional items (refer note 5)	136.97	-	684.85	-	-	136.97	-	684.85	-	-	-	-
5	Loss from ordinary activities before tax (3+4)	(129.95)	(381.40)	(248.50)	(911.70)	(881.15)	(1,215.57)	(128.95)	(380.54)	(247.87)	(906.32)	(859.32)	(1,193.50)
6	Tax expense	(36.15)	(106.50)	(46.28)	(248.32)	(222.28)	(309.88)	(35.90)	(107.44)	(46.12)	(248.43)	(216.61)	(304.14)
	- Current tax	-	-	-	-	-	0.26	0.57	0.17	1.42	5.71	6.02	-
	- Earlier year income tax	-	-	22.67	-	22.67	22.67	(1.50)	22.67	(1.50)	22.67	22.67	-
	- Deferred tax	(36.15)	(106.50)	(68.95)	(248.32)	(244.95)	(332.55)	(36.16)	(106.51)	(68.96)	(248.35)	(244.99)	(332.83)
7	Loss after tax (5-6)	(93.80)	(274.90)	(202.22)	(663.38)	(658.87)	(905.69)	(93.05)	(273.10)	(201.75)	(657.89)	(642.71)	(889.36)
	Other comprehensive income / (loss) (net of tax)												
	Items that will not be reclassified subsequently to the statement of profit and loss:												
	(a) Remeasurements of the defined benefit plans	(8.46)	39.75	-	14.59	27.42	(15.46)	(8.46)	39.75	-	14.59	27.42	(10.27)
	(b) Income tax relating to items that will not be reclassified to profit or loss	2.35	(11.06)	-	(4.06)	(7.63)	4.30	2.35	(11.06)	-	(4.06)	(7.63)	2.95
8	Other comprehensive income / (loss) (net of tax)	(6.11)	28.69	-	10.53	19.79	(11.16)	(6.11)	28.69	-	10.53	19.79	(7.32)
9	Total comprehensive income / (loss) for the period / year (7+8)	(99.91)	(246.21)	(202.22)	(652.85)	(639.08)	(916.85)	(99.16)	(244.41)	(201.75)	(647.36)	(622.92)	(896.68)
	Total comprehensive income attributable to:												
	- Owners of the company	NA	NA	NA	NA	NA	NA	(99.16)	(244.41)	(201.75)	(647.36)	(622.92)	(896.68)
	- 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	7,566.88	NA	NA	NA	NA	NA	7,765.24
12	Earnings Per Share (EPS) based on (7) above (of Rs. 10 each) - (Not annualised for the quarters and the nine months ended)												
	- Basic	(0.50)	(1.47)	(1.08)	(3.54)	(3.51)	(4.83)	(0.50)	(1.45)	(1.07)	(3.51)	(3.42)	(4.75)
	- Diluted	(0.50)	(1.47)	(1.08)	(3.54)	(3.51)	(4.83)	(0.50)	(1.45)	(1.07)	(3.51)	(3.42)	(4.75)

(Rs. in lakhs except EPS)



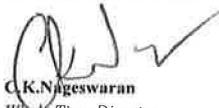
STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31-DECEMBER-2020

Notes:

- 1 The unaudited standalone and consolidated financial results for the quarter and nine months ended 31 December 2020 has been reviewed by the Audit and Risk Management Committee and subsequently approved by the Board of Directors at their respective meeting held on 1 February 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.
- 2 These unaudited standalone and consolidated 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 of Rs.136.97 lakhs and Rs.684.85 lakhs relates to the agreed amounts of unconditional waiver/ concession of fixed clinical establishment fees for the quarter ended 31 December 2020 and nine months ended 31 December 2020 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 The Company had in earlier years applied to the Chennai Metropolitan Development Authority (CMDA) for regularization of the Hospital building in which the Company operates. During the year ended 31 March 2016, CMDA issued an Order dated 18 March 2016 stating that the regularization application made by the Company has not been allowed. The Company had preferred an appeal dated 18 April 2016, before the Secretary to the Government of Tamil Nadu, Housing and Urban Development Authority ("Authority") against the said Order. On 3 May 2016, CMDA served a Lock & Seal Notice to the Company stating that in view of CMDA's Order dated 18 March 2016, the construction at the site of the Hospital premises is unauthorized and called upon the Company to restore the land to its original position within 30 days from the date of the Notice. The Company appealed to the High Court of Judicature at Madras and the Hon'ble High Court was pleased to stay the order on 2 June 2016 and the matter was disposed by High Court directing CMDA not to take any coercive steps till the disposal of the appeal before the Authority. The appeal is pending to be heard till date. The Company has taken safety measures and has also obtained a certificate from an independent agency on the adequacy of measures taken for fire prevention and safety. Post an inspection of the hospital by officials of CMDA, the Company received a letter on 25 August, 2020, seeking additional information, within a stipulated time, to proceed further with the regularisation process. In consultation with its legal counsel, the Company has asked for an extension and has commenced work to put together all requisitioned information. Of all the information sought by CMDA, one was an NOC from the Fire Department, which was applied for and pursuant thereto, a conditional NOC from the Fire Department has been received. The Company expects that it would be able to complete all the requirements. Based on legal advice, the Company continues to believe that all Orders / Notices, including the ones mentioned above, issued by CMDA are contestable and that the possibility of negative outcome of the appeal dated 18 April 2016 is remote and accordingly, the order / notice issued by CMDA prima facie would not result in adverse impact on it's operations/ going concern of the Company.
- 7 During the earlier part of the current year, the COVID – 19 pandemic has impacted the performance of the Company with a decline in occupancy. The Company took various initiatives to support operations and optimize the cost. By taking these various initiatives, the Company has been able to significantly reduce the negative impact on its performance. During the current quarter, with the easing of lockdown restriction, the company's performance has further witnessed an improvement. The Company has considered internal and external information while finalizing various estimates in relation to these financial results and use of the going concern basis for preparation of these financial results 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 On 28 May 2020, the High Court of Judicature at Madras ("High Court") has pronounced a common order on the liability to pay Value Added Tax (VAT) under the provisions of Tamil Nadu Value Added Tax Act, 2006 on the stents, valve, x-ray etc. (except medicine) used while treating their in-house patients. High Court directed reply to be filed to notice, on the other hand has concluded on VAT applicability on prosthetics and implants. The said order pronounced disposes the writ petitions filed by the Company in 2012 against notices for proposal of revising the assessment order for assessment years from 2008-09 to 2011-12 issued by the Assistant Commissioner (CT) wherein an amount of Rs. 254.93 lakhs (Rs.73.37 lakhs pertaining to implants) has been proposed to demanded on 31 January 2012. Against the said order, the Company has filed Writ Appeals with the Division Bench of the Madras High Court on 16 October 2020. The Company, based on legal advice, believes that the possibility of negative outcome is remote and accordingly, no adjustments are made in the financial results.
- 9 Figures for the prior periods / year have been reclassified/ regrouped wherever required to conform to the classification of the current periods.
- 10 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


C.K. Nageswaran
Whole Time Director
DIN 08236347

Place : Chennai
Date : 01 February 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 and year to date 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 for the quarter ended 31 December 2020 and year to date results for the period from 1 April 2020 to 31 December 2020 (“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.

for **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Harsh Vardhan Lakhotia
Harsh Vardhan Lakhotia
Partner
Membership No. 222432
UDIN: 21222432AAAAAQ4441

Place: Chennai
Date: 1 February 2021

Principal Office:

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 and year to date 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 subsidiaries together referred to as “the Group”) for the quarter ended 31 December 2020 and year to date results for the period from 1 April 2020 to 31 December 2020 (“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 Fortis Malar Hospitals Limited and its subsidiary Company- Malar Stars Medicare Limited.

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

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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.

for B S R & Co. LLP

Chartered Accountants

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

Harsh Vardhan Lakhotia

Harsh Vardhan Lakhotia

Partner

Membership No. 222432

UDIN: 21222432AAAAAP5929

Place: Chennai

Date: 1 February 2021