

FMHL/SEC/SE/BM/NOVEMBER'16

November 03, 2016

The General Manager
Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

Scrip Code: 523696
Sub: Outcome of the Board Meeting

Dear Sir

This is to inform you that the Board of Directors of the Company at their meeting held today i.e. November 3, 2016, *inter-alia*, considered and approved the Un-audited Financial Results for the quarter and half year ended on September 30, 2016 along with Statement of Assets & Liabilities as on that date.

Please find enclosed 'Un-audited Financial Results', 'Statement of Assets & Liabilities' and 'Limited Review Report' thereon along with a copy of the press release being issued in this regard.

The meeting concluded at 3:00 p.m.

This is for your information and records please.

Yours faithfully

For Fortis Malar Hospitals Limited


Sumit Goel
Company Secretary



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

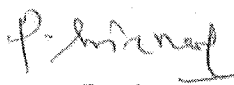
TO THE BOARD OF DIRECTORS OF FORTIS MALAR HOSPITALS LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **FORTIS MALAR HOSPITALS LIMITED** ("the Company"), for the quarter and half year ended September 30, 2016 and Standalone Unaudited Balance Sheet as at September 30, 2016 ("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. We have not performed a review or audit, as stated in Note 2 of the Statement, of the figures relating to the corresponding quarter and half year ended September 30, 2015 which have been presented solely based on the financial information compiled by the Management. 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)

CHENNAI, November 3, 2016

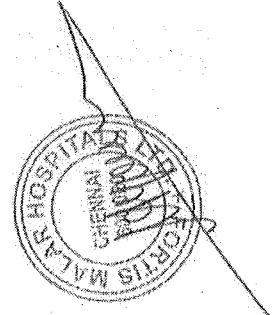
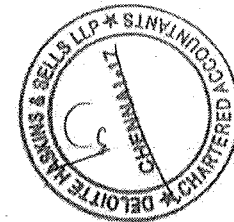



Sriraman Parthasarathy
Partner
(Membership No. 206834)

FORTIS MALAR HOSPITALS LIMITED (CIN: L85110DL1989PLC276986)
 Regd. Office: Escorts Heart Institute and Research Centre, Okhla Road, New Delhi - 110 025

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2016

No.	Particulars	Standalone				(Rs. in lakhs except EPS)	
		Quarter ended		Half year ended			
		September 30, 2016 (Unaudited)	June 30, 2016 (Unaudited)	September 30, 2015 (Refer Note 2) (Unaudited)	September 30, 2016 (Unaudited)	September 30, 2015 (Refer Note 2) (Unaudited)	
1	Income from Operations						
	a) Income from Operations	3,669.29	3,300.65	3,293.92	6,969.94	6,299.47	
	b) Other Operating Income	2.62	0.88	1.64	3.50	4.35	
	Net Income from Operations	3,671.91	3,301.53	3,295.56	6,973.44	6,303.83	
2	Expenses						
	a) Purchase of Medical Consumables and Drugs	845.12	717.98	725.36	1,563.10	1,556.72	
	b) Changes in Inventories of Medical Consumables and Drugs	(51.05)	(32.98)	(44.26)	(84.03)	(168.02)	
	c) Employees Benefit Expenses	482.72	471.43	431.08	954.15	838.28	
	d) Professional Charges to Doctors	1,051.74	1,017.11	886.18	2,068.85	1,668.38	
	e) Clinical Establishment Fees	507.36	485.00	467.56	992.36	923.26	
	f) Depreciation and Amortization Expenses	99.77	93.86	78.54	193.63	156.90	
	g) Other Expenses	747.58	628.76	603.01	1,376.34	1,126.52	
	Total Expenses	3,683.24	3,381.16	3,147.47	7,064.40	6,102.04	
3	(Loss)/Profit from Operations before Other Income & Finance Costs(1-2)	(11.33)	(79.63)	148.09	(90.96)	201.79	
4	Other Income	178.42	180.04	189.94	358.46	391.43	
5	Profit before Finance Costs (3+4)	167.09	100.41	338.03	267.50	593.22	
6	Finance Cost	10.29	8.62	9.95	18.91	19.14	
7	Profit from Ordinary Activities After Finance Cost but before Exceptional Items (5-6)	156.80	91.79	328.08	248.59	574.08	
8	Exceptional Items	-	-	-	-	-	
9	Profit from Ordinary Activities before Tax (7 - 8)	156.80	91.79	328.08	248.59	574.08	
10	Tax expense	54.00	31.76	111.50	85.76	196.15	
11	Net Profit from Ordinary Activities After Tax (9-10)	102.80	60.03	216.58	162.83	377.93	
12	Other Comprehensive Income	(14.23)	-	(6.96)	(14.23)	(7.97)	
13	Total Comprehensive Income for the period(11+12)	88.57	60.03	209.62	148.60	369.96	
14	Paid up Equity Share Capital (Face Value Rs. 10 each)	1,865.95	1,862.08	1,860.95	1,865.95	1,860.95	
15	Earnings Per Share (EPS) (of Rs. 10 each not annualised)						
	- Basic	0.47	0.32	1.16	0.87	2.03	
	- Diluted	0.47	0.32	1.16	0.87	2.03	



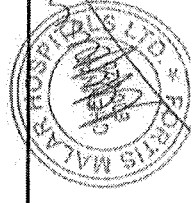
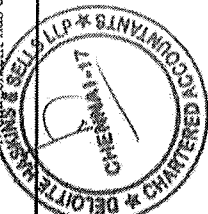
FORTIS MALAR HOSPITALS LIMITED (CIN: L851HDL1989PLC276986)
 Regd. Office: Escorts Heart Institute and Research Centre, Okhla Road, New Delhi - 110 025
STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2016

	(Rs. in Lakhs)
STATEMENT OF ASSETS AND LIABILITIES	As at September 30, 2016 (Unaudited)
Particulars	
A. EQUITY AND LIABILITIES	
1. Shareholders' funds	
(a) Share capital	1,865.95
(b) Reserves and surplus#	7,848.42
	9,714.37
2. Non-current liabilities	
(a) Other Long Term Liabilities	77.02
	77.02
3. Current liabilities	
(a) Trade payables	
(i) Total outstanding dues of micro enterprises and small enterprises	1,375.45
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	993.11
(b) Other current liabilities	147.44
(c) Short-term provisions	2,576.09
	12,307.39
B. ASSETS	
1. Non-current assets	
(a) Fixed Assets	2,503.32
(b) Non-current investments	5.00
(c) Deferred tax Assets (net)	43.59
(d) Long term loans and advances	167.90
	2,719.81
2. Current assets	
(a) Inventories	345.17
(b) Trade receivables	698.08
(c) Cash and cash equivalents	1,483.98
(d) Short term loans and advances	6,425.76
(e) Other current assets	634.59
	9,587.58
TOTAL - ASSETS	12,307.39

Includes Other Comprehensive Income of Rs.18.27 lakhs as at 30 September 2016

Notes:

- The above standalone 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 November 3, 2016. The unaudited results for the Quarter and Half year ended September 30, 2016 have been subjected to a limited review by the Statutory Auditors of the Company.
- The financial results pertaining to the Quarter and Half year ended September 30, 2015 have not been subjected to a limited review or audit and have been presented based on the information compiled by the Management. The Management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of its affairs in accordance with the Indian Accounting Standards (Ind AS).



FORTIS MALAR HOSPITALS LIMITED (CIN: L85110DL1989PLC276986)
 Regd. Office: Escorts Heart Institute and Research Centre, Okhla Road, New Delhi - 110 025
STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2016

3. The Company adopted Ind AS from April 1, 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India. The reconciliation between standalone financial results for the Quarter and Half year ended September 30, 2015 as previously reported (referred to as 'Previous GAAP') and Ind AS are as under:

Particulars	(Rs. in lakhs)	
	Quarter Ended September 30, 2015	Half Year Ended September 30, 2015
Net Profit under Previous GAAP	209.84	370.63
Actuarial Loss on employee defined benefit plans recognised in Other Comprehensive Income	6.96	7.97
Straight lining of Clinical Establishment Fees	(0.89)	(1.80)
Fair value adjustments to Financial Assets	0.67	1.13
Net Profit for the period under Ind AS	216.58	377.93
Other Comprehensive Income	(6.96)	(7.97)
Total Comprehensive Income under Ind AS	209.62	369.96

4. The Company has identified business segment which is "Health Care Services" as its primary segment and geographic segment as its secondary segment. The amounts appearing in the results relate to this single primary segment. Also Refer Note 5 below.

5. 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 share 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 and 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 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 statutory and regulatory approvals including those from the stock exchanges, and shareholders, and creditors of the respective entities, and the sanction of the jurisdictional High Court.

6. The results for the quarter and half year ended September 30, 2015 have been restated to comply with Ind-AS to make them comparable with the current period. Also refer Note 3 above. Further, previous period figures have been regrouped / reclassified, wherever necessary, to conform with the current period presentation.

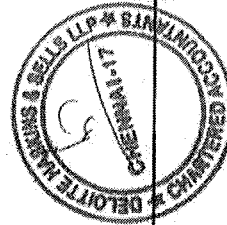
Place: Chennai

Date: November 3, 2016



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

Meghraj Arvindrao Gore
Whole Time Director
DIN No.758123



**FORTIS MALAR REPORTS Q2 FY17 REVENUE AT RS.36.72 CR,
OPERATING PROFIT FOR THE QUARTER AT Rs 0.88 CR**

Chennai, November 3, 2016: Fortis Malar Hospitals Limited, a subsidiary of Fortis Healthcare Limited, a leading integrated healthcare delivery provider in India, today announced its financial results for the quarter ended Sept 30, 2016.

Commenting on the results Mr Daljit Singh, Chairman, Fortis Malar Hospitals Limited, said, “The hospital has carved a niche for itself in Chennai, based on its distinctive tertiary care medical services. It has been setting newer benchmarks by continually undertaking high end and complex surgeries, particularly in cardiology, neurology, mother and child care. The hospital also achieved the unique distinction of completing over 120 heart transplants, reinforcing its position as a high quality super specialty tertiary care centre. I am very pleased with the results and the medical outcomes achieved so far and am confident that we will continue to deliver world class clinical programmes, with consistently superior results in the future, as well.”

Financial Highlights for the Quarter (Q2 FY17)

- Fortis Malar Hospitals reported an operating revenue of Rs 36.72 Cr compared to Rs 32.96 Cr in the corresponding quarter of the previous year a growth of 11%.
- Operating profit for the quarter stood at Rs 0.88 Cr compared to Rs 2.27 Cr, in the corresponding quarter of the previous year.
- Net profit was at Rs 0.89 Cr compared to Rs.2.10 Cr, in the corresponding period, last fiscal year.
- During the quarter, Fortis Malar witnessed growth in its key specialties, showing a markedly better performance in CTVS, Ortho ,Renal ,Neuro which grew by 68%,13%, 17% and 17% respectively, compared to the corresponding quarter of the previous year.

Operational Highlights for the quarter

Fortis Malar team conducted a successful bilateral lung transplant on a patient, Kravchenko Igor from Ukraine in August 2016. The challenging surgery of implanting new lungs was performed by the team led by Dr K.R. Balakrishnan and Senior Cardiac Anaesthiologist and Critical Care Specialist, Dr Suresh Rao. The critical care management of this patient involved the first ever case of “endo-bronchial stenting” after a lung transplant in India.

Corporate Social Responsibility

Playing its part as a good social corporate citizen, Fortis Malar has been involved in programmes that make a positive contribution to society. The following CSR activities were undertaken during the quarter:

- We conducted a Free Medical Camp for poor children at a Church, in North Chennai. Around 200 participants were covered during this free camp. ECG and Blood test were also done Free of Cost
- As a part of our All India Swachh Fortis initiative the staff at our hospital is voluntarily taking up the cleaning of areas surrounding the Malar hospital. The cleaning campaign by the staff is repeated on the last Wednesday of every month.

About Fortis Malar Hospitals Ltd

Fortis Malar Hospital (formerly known as Malar Hospital) was acquired by Fortis Healthcare (India) Limited in early 2008. The hospital founded in 1992, is established as one of the largest corporate hospitals in Chennai providing quality super specialty and multi-specialty healthcare services. Fortis Malar Hospitals, with 180 beds, focuses on providing comprehensive medical care in the areas of Cardiology and Cardiac Surgery, Neuro Surgery, Gynaecology, Orthopaedics, Gastroenterology, Neurology, Paediatrics, Diabetics, Nephrology and Internal Medicine.

Fortis Malar Hospital has a state of the art Cath Lab and multiple dedicated cardiac operation theatres and intensive coronary care units. Several rare and complex Adult and Paediatric Cardiac surgeries, Orthopedic and Joint replacements, Neurosurgeries and Plastic

reconstruction surgeries have been performed at this hospital. The hospital's Obstetrics and Gynaecology services are among the busiest in the city, successfully performing many complicated deliveries and surgeries. They are supported by a dedicated Neonatology unit.

About Fortis Healthcare Ltd

Fortis Healthcare Limited is a leading integrated healthcare delivery service provider in India. The healthcare verticals of the company primarily comprise hospitals, diagnostics and day care specialty facilities. Currently, the company operates its healthcare delivery services in India, Dubai, Mauritius and Sri Lanka with 45 healthcare facilities (including projects under development), approximately 10,000 potential beds and over 330 diagnostic centres

DISCLAIMER

This press release may contain forward-looking statements based on the currently held beliefs and assumptions of the management of the Company, which are expressed in good faith and, in their opinion, reasonable. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance, or achievements of the Company results, to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements. Given these risks, uncertainties and other factors, recipients of this press release are cautioned not to place undue reliance on these forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent development, information or events, or otherwise. The information contained herein is subject to change without notice and past performance is not indicative of future results. The Company may alter, modify or otherwise change in any manner the content of this press release, without obligation to notify any person of such revision or changes.

FOR MORE INFORMATION PLEASE CONTACT

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