

**FORTIS HEALTHCARE LIMITED**  
**STATEMENT OF AUDITED RESULTS FOR THE YEAR ENDED MARCH 31, 2013**

(₹ In lacs)

Particulars	Consolidated				Standalone			
	Quarter ended		Year ended		Quarter ended		Year ended	
	March 31, 2013 (Audited) (Refer note 2)	December 31, 2012 (Unaudited)	March 31, 2012 (Unaudited)	March 31, 2013 (Audited)	March 31, 2013 (Audited) (Refer note 2)	December 31, 2012 (Unaudited)	March 31, 2012 (Unaudited)	March 31, 2013 (Audited)
1. Income from Operations	159,479	152,357	126,949	599,068	8,758	8,381	6,927	33,447
2. Other Operating Income	1,551	1,503	961	6,096	451	541	292	1,850
3. Total Income	161,030	153,860	127,910	605,164	9,209	8,922	7,219	35,297
4. Expenditure								
(a) Cost of Material consumed	27,686	27,050	22,215	106,587	2,519	2,507	1,957	10,136
(b) Employees Benefit Expenses	53,558	50,383	42,147	199,274	2,587	2,601	2,107	10,111
(c) Other expenditure	68,490	61,160	47,579	231,431	3,801	4,267	3,081	14,992
(d) Total	149,734	138,593	111,941	537,292	8,907	9,375	7,145	35,239
5. Profit (+)/ Loss (-) from Operations before Other income & financial cost, depreciation and amortisation (3-4)	11,296	15,267	15,969	67,872	302	(453)	74	58
6. Other Income	3,693	4,663	10,947	15,696	3,785	4,944	3,416	19,057
7. Exceptional gain/ (loss) (refer note 8)	(23)	97,383	633	96,459	(0)	(174)	18,462	(174)
8. Profit (+)/ Loss (-) from Operations, before financial cost, depreciation and amortisation (5+6+7) (EBITDA)	14,966	117,313	27,549	180,027	4,087	4,317	21,952	18,941
9. Net depreciation/ impairment & amortization Expenses	10,760	12,035	6,686	37,059	1,156	416	329	2,347
10. Profit from Operations before finance costs (8-9)	4,206	105,278	20,863	142,968	2,931	3,901	21,623	16,594
11. Finance costs	12,770	15,805	14,504	63,400	3,658	3,280	3,125	13,386
12. Profit from Operations before tax (10-11) (including profit attributable to discontinuing operations, refer note 7)	(8,564)	89,473	6,359	79,568	(727)	621	18,498	3,208
13. Tax expense	2,175	16,731	1,519	23,132	178	261	-	1,483
14. Net Profit from ordinary activities after tax (12-13)	(10,739)	72,742	4,840	56,436	(905)	360	18,498	1,725
15. Less : Minority interest in profit / (loss)	1,141	2,553	111	7,267	-	-	-	-
16. Add : Share in profit/(loss) of associate companies	258	314	77	824	-	-	-	-
17. Net Profit after taxes, minority interest and share of profit/(loss) of associates (14-15+16)	(11,622)	70,503	4,806	49,993	(905)	360	18,498	1,725
				7,223				20,136



18. Paid-up equity share capital (Face Value ₹10 per Share)	40,521	40,520	40,518	40,521	40,518	40,521	40,518	40,521	40,518	40,518
19. Reserves excluding Revaluation Reserves										
20. Earnings Per Share (excluding exceptional items) :- Basic	(2.86)	(6.63)	1.03	(11.47)	1.63	(0.22)	0.13	(0.22)	0.01	0.41
:- Diluted	(2.86)	(6.63)	1.03	(11.47)	1.63	(0.22)	0.13	(0.22)	0.01	0.41
<b>Part II</b>										
<b>A. Particulars of Shareholding</b>										
1. Public shareholding - No of Shares	75,053,386	75,049,486	75,025,766	75,053,386	75,025,766	75,053,386	75,049,486	75,053,386	75,025,766	75,025,766
- Percentage of shareholding	18.52%	18.52%	18.52%	18.52%	18.52%	18.52%	18.52%	18.52%	18.52%	18.52%
2. Promoters and promoter group Shareholding										
a) Pledged/ Encumbered - No of Shares	210,533,822	282,225,200	235,053,900	210,533,822	235,053,900	210,533,822	282,225,200	210,533,822	235,053,900	235,053,900
- Percentage of shares (as a % of total shareholding of promoter and promoter group)	63.77%	85.48%	71.20%	63.77%	71.20%	63.77%	85.48%	63.77%	71.20%	71.20%
- Percentage of shares (as a % of the total share capital of the company)	51.96%	69.65%	58.01%	51.96%	58.01%	51.96%	69.65%	51.96%	58.01%	58.01%
b) Non-encumbered - No of Shares	119,620,127	47,928,749	95,100,049	119,620,127	95,100,049	119,620,127	47,928,749	119,620,127	95,100,049	95,100,049
- Percentage of shares (as a % of total shareholding of promoter and promoter group)	36.23%	14.52%	28.80%	36.23%	28.80%	36.23%	14.52%	36.23%	28.80%	28.80%
- Percentage of shares (as a % of the total share capital of the company)	29.52%	11.83%	23.47%	29.52%	23.47%	29.52%	11.83%	29.52%	23.47%	23.47%
<b>B. Investor Complaints</b>										
Pending at the beginning of the quarter	1									
Received during the quarter	3									
Disposed off during the quarter	4									
Remaining unsolved at the end of the quarter	Nil									

**Notes to the results:**

1. The above audited financial results for the year ended March 31, 2013 have been reviewed by the Audit, Risk & Control Committee and approved by the Board of Directors at their respective meetings held on May 30, 2013
2. The figures for the last quarter ended March 31, 2013 are the balancing figures between audited figures in respect of the full financial year upto March 31, 2013 and the unaudited published year to date figures upto December 31, 2012 being the end of the third quarter of the financial year, which was subjected to a limited review.



### 3. Segment Reporting

#### **Business Segments:**

The Group is primarily engaged in the business of healthcare services, which in the opinion of management is considered to be the only reportable business segment as per Accounting Standard 17 on 'Segment Reporting' notified under the Companies (Accounting Standards) Rules, 2006 as amended. Healthcare services include various patient care services delivered through clinical establishment, medical services companies, pathology and radiology services, etc.

#### **Geographical segments:**

The group operates in the business segment explained above in two principal geographical areas, geographical segments being classified as secondary segment. In India, its home country, the group focuses largely on healthcare services. Additionally, the group's operations 'Outside India' are mostly in the Australasia region focusing on South East Asia, Middle East and Australia through the group's headquarters based in Singapore. In the Australasia region, the group primarily operates in following countries: Singapore, Hong Kong, Vietnam, Australia, Mauritius and New Zealand.

#### **Revenue from operations –by geographical markets**

The following table shows the distribution of the Company's consolidated revenues by geographical market.

Region	Year ended		Quarter ended	
	31-Mar-13	31-Mar-12	31-Mar-12	31-Mar-13
India	317,984	233,907	64,024	71,958
Outside India*	287,180	64,497	63,886	81,902
<b>Total</b>	<b>605,164</b>	<b>298,404</b>	<b>127,910</b>	<b>153,860</b>

\* Includes revenue relating to discontinuing operations (see note 9 below)



The following table shows the carrying amount of segment assets and additions to tangible and intangible fixed assets by geographical area in which the assets are located:

Region	Carrying amount of Segment assets		Additions	
	31-Mar-13	31-Mar-12	31-Mar-13	31-Mar-12
India	542,006	579,335	582,654	86,194
Outside India	816,121	663,592	119,807	63,926
<b>Total</b>	<b>1,358,127</b>	<b>1,242,927</b>	<b>702,461</b>	<b>150,120</b>

4. Other income includes interest income, foreign exchange fluctuation gain, profit on sale of assets, profit on sale of investments, forward cover premium amortization and miscellaneous income, whichever is relevant for the period.

5. Statement of Assets & Liabilities

Particulars	Consolidated			Standalone		(Rs. in lacs)
	As at March 31, 2013	As at March 31, 2012	As at March 31, 2013	As at March 31, 2012		
	<b>A</b>					
<b>EQUITY AND LIABILITIES</b>						
1						
<b>Shareholders' funds</b>						
(a) Share capital	40,953	40,951	40,953	40,951	40,951	40,951
(b) Reserves and surplus	330,134	284,679	279,552	279,510	279,510	279,510
<b>Sub-total - Shareholders' funds</b>	<b>371,087</b>	<b>325,629</b>	<b>320,505</b>	<b>320,460</b>	<b>320,460</b>	<b>320,460</b>
2						
Minority interest *	169,122	83,084	-	-	-	-
3						
<b>Non-current liabilities</b>						
(a) Long-term borrowings	481,736	367,427	69,743	67,978	67,978	67,978
(b) Deferred tax liabilities (net)	9,363	857	32	-	-	-
(c) Other long-term liabilities	11,870	13,441	1,527	7,642	7,642	7,642
(d) Long-term provisions	4,125	3,055	704	466	466	466
<b>Sub-total - Non-current liabilities</b>	<b>507,094</b>	<b>384,779</b>	<b>72,006</b>	<b>76,086</b>	<b>76,086</b>	<b>76,086</b>
4						
<b>Current liabilities</b>						
(a) Short-term borrowings	34,635	283,598	30,056	42,266	42,266	42,266
(b) Trade payables	87,933	76,232	4,734	4,638	4,638	4,638
(c) Other current liabilities	176,786	83,607	19,758	5,882	5,882	5,882
(d) Short-term provisions	11,470	5,900	766	417	417	417
<b>Sub-total - Current liabilities</b>	<b>310,824</b>	<b>449,338</b>	<b>55,315</b>	<b>53,203</b>	<b>53,203</b>	<b>53,203</b>



		1,358,127	1,242,829	447,826	449,749
<b>B</b>	<b>TOTAL - EQUITY AND LIABILITIES</b>				
<b>ASSETS</b>					
<b>1</b>	<b>Non-current assets</b>				
	(a) Fixed assets	213,939	324,271	19,053	13,491
	(b) Goodwill on consolidation	408,952	396,176	-	-
	(c) Goodwill on acquisition	328,897	254,343	-	-
	(d) Non-current investments	79,814	23,479	231,008	231,008
	(e) Deferred tax assets (net)	6,752	5,021	-	-
	(f) Long-term loans and advances	57,395	43,588	101,393	50,158
	(g) Other non-current assets	6,801	4,785	58	1,665
	<b>Sub-total - Non-current assets</b>	<b>1,102,551</b>	<b>1,051,663</b>	<b>351,512</b>	<b>296,322</b>
<b>2</b>	<b>Current assets</b>				
	(a) Current investments	38,930	638	9,580	-
	(b) Inventories	9,250	7,992	485	425
	(c) Trade receivables	66,278	54,663	9,305	6,250
	(d) Cash and cash equivalents	51,170	41,458	10,858	1,486
	(e) Short-term loans and advances	82,063	75,828	47,517	139,253
	(f) Other current assets	7,884	10,589	18,570	6,012
	<b>Sub-total - Current assets</b>	<b>255,576</b>	<b>191,167</b>	<b>96,315</b>	<b>153,427</b>
	<b>TOTAL - ASSETS</b>	<b>1,358,127</b>	<b>1,242,829</b>	<b>447,826</b>	<b>449,749</b>

6. Due to restatement and settlement of foreign currency monetary items, the Company and its subsidiaries recognize foreign exchange fluctuation differences in the profit and loss account. This difference may result in either net gain or loss and is accordingly, included under 'other income' or 'other expenditure' for the specific period. Further exchange difference arising from foreign currency borrowings to the extent that they are regarded as adjustment to the interest costs have been reported under finance cost.

7. In case of one of the subsidiary, that was formed after amalgamation of EHIRC, Delhi Society with EHIRC, Chandigarh Society and thereafter registration of EHIRC, Chandigarh Society as company.

a) Delhi Development Authority ('DDA') had terminated the lease deeds and allotment letters relating to land parcels on which hospital of one of the subsidiary company exists. Consequent to termination DDA issued show cause notice and initiated eviction proceedings against the subsidiary company. Both these matters are currently pending in various courts of law. Based on experts' opinions, management is confident that subsidiary company will be able to suitably defend the termination order and eviction proceedings and accordingly considers that no adjustments are required to the financial result.

b) Further, the subsidiary company also has open tax demands of Rs. 8,923 lacs (after adjusting Rs.4,461 lacs for which the Company has a legal right to claim from erstwhile promoters and Rs. 9,585 lacs which has been adjusted by the revenue authorities out of an escrow account which was maintained out of sale consideration payable by the Company to the erstwhile promoters) for relevant assessment years. Based on the experts' opinions, management considers these tax demands as not tenable against the subsidiary company and management is confident that the ultimate outcome of these matters will not have a material adverse impact on the subsidiary's financial position, results of operations or cash flows.



8. Exceptional items for ₹ 97,383 lacs and ₹ 96,459 lacs included in the above results for the quarter ended December 31, 2012 and year ended March 31, 2013 respectively includes:

(₹ in lacs)

Particulars	Quarter ended December 31, 2012	Year ended March 31, 2013
a) Gain on dilution of stake in Religare Health Trust ("RHT")		
- Gain on dilution	105,454	105,431
- Less: Direct legal and professional expenses relating to dilution of stake	4,576	5,477
- Less: Stamp duty and other expenses	363	363
<b>Net gain on dilution of stake in RHT</b>	<b>100,515</b>	<b>99,591</b>
b) Accrual of expenses in relation to discontinuing of operations of Dental Corporation Holdings Limited (refer note 9)	3,132	3,132
<b>Net Exceptional items</b>	<b>97,383</b>	<b>96,459</b>

Gain on dilution of stake in RHT

During year ended March 31, 2012, the Company initiated internal corporate restructuring within the Group with a view to streamline and focus Group companies' resources and energies on different divisions and undertakings and to align the business with the internationally emerging trends by moving towards innovative and cost effective methods such as transformation to asset light models. Subsequent to it RHT, a business trust established in Singapore, was listed on the Singapore Exchange Securities Trading Limited on October 19, 2012.

RHT made an offering of 567,455,000 common units at S\$ 0.90 per common unit. Post the listing of RHT on Singapore Stock Exchange on October 19, 2012, the stake of Group in RHT has been diluted from 100% to 28%. Accordingly, assets and liabilities of Clinical Establishment Division held by RHT Group do not form part of the consolidated assets and liabilities of the Company w.e.f. October 19, 2012. Such deconsolidation has resulted in a net gain of ₹ 100,515 lacs and ₹ 99,591 lacs (net of expenses directly incurred on the transaction) and has been included as an exceptional item for the quarter ended December 31, 2012 and year ended March 31, 2013 respectively.



9. Discontinuing of operations relating to Dental Corporation Holdings Limited ("DC"), Australia

During the previous quarter, Fortis Healthcare Australia Pty Limited (FHA), a wholly owned subsidiary of the Company entered into a Non-Binding Indicative offer to divest its 63.51% holding in DC to BUPA, Australia for a consideration of AUD 276 million. The deal has since been approved by the shareholders of DC, other regulatory authorities and the Supreme Court of Victoria (Australia) and is expected to be completed soon. In relation to this transaction, the difference between the estimated sales value and the carrying value of net assets of DC, amounting to ₹ 5,494 lakhs is considered as impairment.

The revenue and expenses in respect of the operation activities attributable to above discontinuing operations included in the consolidated financial results are as follows:

(₹ in lacs)

Particulars	Quarter ended			Year ended	
	31-Mar-13	31-Dec-12	31-Mar-12	31-Mar-13	31-Mar-12
Total Income	49,925	46,532	36,815	180,497	36,815
Total expenditure	46,988	41,621	35,352	165,435	35,352
Profit before tax	2,938	4,911	1,463	15,062	1,463
Tax expenses	868	1,569	422	4,372	422
Profit after tax	2,069	3,343	1,041	10,690	1,041

10. Management of two subsidiaries of the group in Singapore has determined change in the Company's reporting currency from Singapore dollars (SGD) to United States dollars (USD) with effect from 1 April 2012. Prior to 1 April 2012, these Companies had invoiced its subsidiaries for management fees in Singapore Dollars, United States Dollars ("USD"), Australian Dollars ("AUD") and Hong Kong Dollars. With effect from 1 April 2012 onwards, invoicing for management fees is being done in United States dollars. This change in reporting currency of the group's subsidiaries has been applied prospectively.
11. The Company had purchased 74.59% stake in SRL Limited on May 11, 2011. Further, Company through one of its subsidiary had acquired 100% stake in Fortis Healthcare International Pte Limited on January 11, 2012 from RHC Financial Services (Mauritius) Limited, alongwith its subsidiaries and associates. The consolidated results include financial results of this acquired entities from the completion date, hence the figures are not strictly comparable with previous periods/year
12. During the current quarter, Fortis Healthcare Singapore Pte Limited, a wholly owned subsidiary within the Group further acquired 15% of Radlink Group comprising of 4,407,312 ordinary shares at a minimum price of S\$2.5392. Post-acquisition of the 15% of Radlink Group, the holding of Fortis Healthcare Singapore Pte Limited in Radlink stood at 100%
13. During the current year the company initiated an institutional placement programme (IPP) for issuance of equity share of the Company. The Issue was authorised by the Board of Directors through circular resolutions dated November 27, 2012 and by the Company's shareholders through a special resolution passed by way of postal ballot the result whereof was announced on January 15, 2013. Subsequent to March 31, 2013 under the IPP the company issued 34,993,030 equity shares of face value ₹ 10 each at a price of ₹ 92 per equity share. The transaction was concluded in May 2013. The total proceeds of the Issue was approximately ₹ 32,193.59 lacs which will be used in repayment of debts, funding capital expenditure requirements and general corporate purposes.



14. As permitted by the guidance note on the Revised Schedule VI to the Companies Act, 1956, the Group has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item in its financial statements and as required by clause 41 to the listing agreement to use the classifications as per Revised Schedule VI, the Group has shown the EBITDA as a separate line item in the above financial results. In its measurement, the Group does not include depreciation and amortization expense, finance costs and tax expense.

15. The previous periods' year figures have been regrouped and recasted, wherever considered necessary.



for and on behalf of the Board of Directors

  
Shivinder Mohan Singh  
Executive Vice Chairman