The Fortis Escorts Network

FORTIS HEALTHCARE LIMITED

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AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2008

(Rs. in Lacs)

Particulars	Consolidated				Standalone			
	Quarter Ended March 31		Year Ended	Year Ended	Quarter Ended March 31		Year Ended	Year Ended
	2008	2007	March 31, 2008	March 31, 2007	2008	2007	March 31, 2008	March 31, 2007
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Unaudited)	(Audited)	(Audited)
1. Net Sales/Income from Operations	13,284.07	13,835.73	50,709.52	51,943.00	4,084.87	3,408.29	15,793.39	12,846.30
2. Other Income	1,417.08	305.12	4,089.38	597.51	1,076.18	195.48	3,214.46	435.22
3. Total Income (1+2)	14,701.15	14,140.85	54,798.90	52,540.51	5,161.05	3,603.77	19,007.85	13,281.52
4. Expenditure								
a. Consumption of raw materials	4,276.74	4,813.94	16,157.66	17,755.58	1,202.81	1,267.62	4,975.35	4,866.49
b. Employees cost	3,727.88	3,222.04	13,888.62	13,652.76	859.36	722.96	3,484.83	2,717.85
c. Depreciation & Amortization (Refer note 8 below)	1,273.58	2,183.98	4,682.49	8,380.42	268.92	277.56	1,064.20	1,057.05
d. Other expenditure	5,267.27	4,095.98	18,598.61	15,162.88	1,654.89	1,231.55	6,207.03	4,511.70
e. Total	14,545.47	14,315.94	53,327.38	54,951.64	3,985.98	3,499.69	15,731.41	13,153.09
5. Interest (including finance charges)	862.54	1,953.57	5,514.69	6,600.43	193.02	1,397.93	2,962.09	4,964.82
6. Profit (+)/ Loss (-) from Ordinary Activities before tax (3) - (4+5)	(706.86)	(2,128.66)	(4,043.17)	(9,011.56)	982.05	(1,293.85)	314.35	(4,836.39)
7. Tax expense	349.31	269.16	1,954.90	727.95	21.95	13.21	52.58	32.47
8. Net Profit (+)/ Loss (-) from Ordinary Activities after tax (6-7)	(1,056.17)	(2,397.82)	(5,998.07)	(9,739.51)	960.10	(1,307.06)	261.77	(4,868.86)
9. Minority interest in current year profits / (losses)	(126.31)	39.78	(504.16)	62.32	-	-	-	-
10. Share in current year losses / (profits) of an associate company	59.19	3.67	54.43	9.77	-	-	-	-
11. Net Profit / (Loss) attributable to the shareholders of the Company	(989.05)	(2,441.27)	(5,548.34)	(9,811.60)	960.10	(1,307.06)	261.77	(4,868.86)
12. Paid-up equity share capital (Face Value Rs.10 per Share)	22,666.65	18,067.01	22,666.65	18,067.01	22,666.65	18,067.01	22,666.65	18,067.01
13. Reserves excluding Revaluation Reserves	-	-	37,825.00	16,118.76	-	-	51,115.19	23,598.84
14. Earnings Per Share (EPS)	(1.75)*	(5.67)*	(2.49)	(5.73)	1.70*	(3.04)*	0.12	(2.85)
*Basic and diluted EPS , for the year to date and for the previous year (not annualised)								
15. Public shareholding								
- Number of Shares	57,917,111		57,917,111		57,917,111		57,917,111	
-Percentage of shareholding	25.55%		25.55%		25.55%		25.55%	

Notes:

1. The results for the year and the quarter ended March 31, 2008 have been reviewed by the Audit Committee at its meeting and taken on record by the Board of Directors at its meeting held on June 30, 2008.
2. As the Group's business activities primarily fall within a single business and geographical segment, there are no additional disclosures to be provided in terms of Accounting Standard 17 'Segment Reporting'.
3. As on March 31, 2007, the Company was an Unlisted Public Company, and accordingly, the provisions of Clause 40A with respect to maintenance of minimum public shareholding were not applicable to the Company. As on March 31, 2007, the public shareholding in the Company was 11,977,706 (6.63%) Equity Shares of Rs. 10 each.
4. Number of Investors Complaints received and disposed off during the quarter ended March 31, 2008: (i) Pending at the beginning of the quarter Nil. (ii) Received during the quarter 57. (iii) Disposed of during the quarter 57 (iv) Lying unresolved at the end of the quarter Nil.
5. In the last audited annual accounts of the Company, the auditors had qualified the recognition of deferred tax assets of Rs. 1,104.74 lacs in respect of a step down subsidiary. The same has been reversed and charged to profit and loss account during the first quarter.
6. The auditors are unable to express an opinion on the position of the land under leasehold arrangements with the Delhi Development Authority and certain demands raised by the income tax authorities in respect of a subsidiary aggregating to Rs. 12,437 lacs (net of demands raised twice in respect of certain years and also excluding the demand of Rs. 8,149 lacs in respect of Assessment Year 2001-02 which has been referred back to the Assessing Officer for reassessment). Last Audited Annual accounts also carried a qualification by the auditors in respect of these matters. As the matters are sub-judice, with appeals against the demands pending at various stages and based on the advice received from legal counsels, the management is of the view that the matters shall get resolved in its favour.
7. During the year, International Hospital Limited ("IHL"), a wholly owned subsidiary of the Company, and Oscar Investments Limited (OIL) made an open offer under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 for acquiring equity shares of Malar Hospitals Limited (MHL). Consequent to the above and in terms of the Agreement entered into by IHL and OIL with the erstwhile promoters of MHL, IHL and OIL acquired 48.8% and 13.3% shareholding in MHL respectively.
8. The Company has during the year changed the accounting policy of goodwill amortization. As against the hitherto followed policy of amortizing the goodwill over a period of 10 years, the Company has started testing the goodwill for impairment. The cumulative results of previous three quarters of the current year have also been adjusted accordingly. Had the Company continued to use the earlier basis of amortizing goodwill, the charge to the Profit and Loss Account for the current quarter and year and the loss for the current quarter and year would have been higher by Rs. 1,143.62 lacs and Rs. 4,560.90 lacs respectively.
9. During the year, the Company has redeemed 100, 1% Class 'A' Non-Cumulative Redeemable Preference Shares of Rs. 100,000 each at par and 26,000,000 5% Class 'B' Non-Cumulative Redeemable Preference Shares of Rs. 10 each for cash at a premium of Rs. 90 per share and had allotted 11,600,000 Zero Percent Class 'C' Cumulative Redeemable Preference Shares of Rs. 10 each at a premium of Rs. 90 per share, on private placement basis.
10. The fund utilization out of IPO proceeds during the year ended March 31, 2008 is as follows:

Sr.No.	Expenditure Program	Rs. in Lacs Expenditure
1	Construction and development of the planned hospital to be located at Shalimar Bagh, New Delhi by Oscar Biotech Pvt Ltd	3,113.00
2	Refinancing of funds availed for the acquisition of Escorts Heart Institute & Research Centre Limited	35,231.15
3	Issue Expenses	3,278.91
	Total	**41,623.06**

The Company was having unutilized funds of Rs. 8,053.09 lacs as on March 31, 2008 out of IPO Proceeds. These unutilized funds have been invested as Inter Corporate Deposits as on March 31, 2008.

11. Since the Company was not listed in the previous year, it was not required to publish quarterly results. Hence, the information furnished above for the standalone and consolidated results for the quarter ended March 31, 2007 is based on management estimates and has not been subjected to limited review by the auditors.
12. Previous year figures have been regrouped, wherever considered necessary.

Date: June 30, 2008
Place: New Delhi

For and on behalf of the Board of Directors
SHIVINDER MOHAN SINGH
Managing Director