

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Fortis Hospitals Limited

**Report on the Financial Statements**

We have audited the accompanying financial statements of Fortis Hospitals Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards notified under the Companies Act, 1956, read with General Circular 8/2014 dated April 4, 2014 issued by the Ministry of Corporate Affairs. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Companies Act, 1956 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



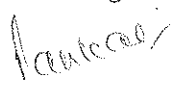
Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956, read with General Circular 8/2014 dated April 4, 2014 issued by the Ministry of Corporate Affairs;
  - (e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E

  
per **Pankaj Chadha**

Partner

Membership Number: 91813



Place of Signature: Gurgaon

Date: May 28, 2014

**Annexure referred to in our report of even date**

Re: Fortis Hospitals Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) There was no disposal of a substantial part of fixed assets during the year.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii)(a) to (d) of the Order are not applicable to the Company and hence not commented upon.
- (e) According to information and explanations given to us, the Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii)(e) to (g) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us and having regard to the explanation that purchases of items of inventories and certain fixed assets are of proprietary nature for which alternative sources are not available to obtain comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.
- (v) (a) In our opinion, there are no contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(v)(b) of the Order is not applicable to the Company and hence not commented upon.
- (vi) The Company has not accepted any deposits from the public.
- (vii) The Company is covered as part of the internal audit function operated by its parent company, which is commensurate with the size of the Company and the nature of its business.



- (viii) To the best of our knowledge and as explained, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956, for the products /services of the Company.
- (ix) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities *though there has been a slight delay in a few cases*. The provisions relating to investor education and protection fund and excise duty are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to investor education and protection fund and excise duty are not applicable to the Company.
- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount involved (Rs. in lacs)	Amount paid under protest (Rs. in lacs)	Assessment Year to which the amount relates	Forum where dispute is pending
The Customs Act, 1962	Custom Duty	515.50	83.25	2006	Supreme Court of India

The provisions relating to investor education and protection fund and excise duty are not applicable to the Company.

- (x) The Company has been registered for a period of less than five years and hence we are not required to comment on whether or not the accumulated losses at the end of the financial year is fifty per cent or more of its net worth and whether it has incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (xii) According to the information and explanations given to us and based on the documents and records produced before us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.



# **S.R. BATLIBOI & Co. LLP**

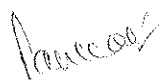
Chartered Accountants

- (xv) According to the information and explanations given to us, the Company has given guarantee for loans taken by others from banks, the terms and conditions whereof, in our opinion, are not prima-facie prejudicial to the interest of the Company. According to the information and explanations given to us, Company has not given any guarantee for loan taken by others from financial institutions.
- (xvi) Based on the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that *funds amounting to Rs. 69,066.50 lacs raised on short term basis in the form of loan from holding company have been used for long term purpose representing acquisition of fixed assets, non-current investments and long term loans and deposits.*
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised any money by way of public issue during the year.
- (xxi) We have been informed that *an employee of a security agency at one of the hospital had misappropriated funds amounting to Rs. 6.50 lacs during the year under audit.* Management had concluded its investigations and has recovered part of the amount of Rs. 3.25 lacs from the security agency and has filed a claim with insurance Company for the balance.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E



**per Pankaj Chadha**

Partner

Membership Number: 91813



Place of Signature: Gurgaon

Date: May 28, 2014

	Notes	March 31, 2014 ₹ in lacs	March 31, 2013 ₹ in lacs
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	4 (i)	4,030.06	4,025.06
Reserves and surplus	4 (ii)	53,630.74	66,571.90
		<b>57,660.80</b>	<b>70,596.96</b>
<b>Non-current liabilities</b>			
Long-term borrowings	4 (iii)	16,073.90	4,117.55
Deferred tax liabilities (net)	4 (iv)	5,624.47	8,779.62
Other long term liabilities	4 (v)	1,061.91	22.53
Long-term provisions	4 (vi)	814.00	533.46
		<b>23,574.28</b>	<b>13,453.16</b>
<b>Current liabilities</b>			
Short-term borrowings	4 (vii)	71,363.78	147.15
Trade payables	4 (viii)	26,807.70	9,094.99
Other current liabilities	4 (ix)	27,484.19	5,625.88
Short-term provisions	4 (x)	756.47	2,897.85
		<b>126,412.14</b>	<b>17,765.87</b>
<b>TOTAL</b>		<b>207,647.22</b>	<b>101,815.99</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
Tangible assets	4 (xi) (a)	64,727.16	15,814.41
Intangible assets	4 (xi) (b)	48,878.83	43,810.51
Capital work-in-progress		1,615.30	265.84
		<b>115,221.29</b>	<b>59,890.76</b>
Non-current investments	4 (xii)	634.71	7.46
Long term loans and advances	4 (xiii)	42,671.04	9,405.54
Other non-current assets	4 (xiv)	911.90	109.97
		<b>159,438.94</b>	<b>69,413.73</b>
<b>Current assets</b>			
Current investments	4 (xv)	-	8,507.50
Inventories	4 (xvi)	2,219.87	928.69
Trade receivables	4 (xvii)	20,409.98	5,121.75
Cash and bank balances	4 (xviii)	8,062.20	1,968.47
Short term loans and advances	4 (xix)	13,767.30	13,451.85
Other current assets	4 (xx)	3,748.93	2,424.00
		<b>48,208.28</b>	<b>32,402.26</b>
<b>TOTAL</b>		<b>207,647.22</b>	<b>101,815.99</b>

Summary of significant accounting policies

3

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. Batliboi & Co. LLP  
Firm Registration Number: 301003E  
Chartered Accountants

per Pankaj Chadha  
Partner  
Membership No.: 91813



For and on behalf of the Board of Directors of  
Fortis Hospitals Limited

Aditya Vij  
Managing Director

Ashish Bhatia  
Director

Meetu Gulati  
Company Secretary

Place : Gurgaon  
Date : May 28, 2014

Place : Gurgaon  
Date : May 28, 2014

**Fortis Hospitals Limited**  
**Statement of Profit and loss for the year ended March 31, 2014**

	Notes	March 31, 2014 ₹ in lacs	March 31, 2013 ₹ in lacs
<b>INCOME</b>			
Revenue from operations	4 (xxi)	180,108.24	62,252.05
Other income	4 (xxii)	8,107.42	2,130.56
Exceptional items	4 (xxviii)	-	44,261.96
<b>Total revenue</b>		<b>188,215.66</b>	<b>108,644.57</b>
<b>EXPENDITURE</b>			
Purchase of medical consumables and drugs		37,059.93	14,254.22
Increase in inventories of medical consumables and drugs	4 (xxiii)	249.39	75.00
Employee benefits expense	4 (xxiv)	23,145.00	7,701.97
Other expenses	4 (xxv)	117,540.19	30,703.32
<b>Total expenses</b>		<b>177,994.51</b>	<b>52,734.51</b>
<b>Earnings before interest, tax, depreciation and amortization (EBITDA)</b>		<b>10,221.15</b>	<b>55,910.06</b>
Finance costs	4 (xxvi)	14,446.85	3,884.50
<b>Profit/ (loss) before depreciation and amortization</b>		<b>(4,225.70)</b>	<b>52,025.56</b>
Depreciation and amortization expense	4 (xxvii)	7,360.30	3,883.17
<b>Profit/ (loss) before tax</b>		<b>(11,586.00)</b>	<b>48,142.39</b>
<b>Tax expenses:</b>			
Current tax [including reversal of tax for earlier year ₹ 2,723.95 lacs due to amalgamation (refer note 24)]		(2,723.95)	9,513.56
MAT Credit Entitlement		-	(6,468.63)
Deferred tax charge/ (credit)		(3,155.16)	8,779.62
<b>Total tax expenses</b>		<b>(5,879.11)</b>	<b>11,824.55</b>
<b>Profit/ (loss) for the year</b>		<b>(5,706.89)</b>	<b>36,317.84</b>
<b>Earnings/ (loss) per share [Nominal value ₹ 10/- each (Previous year ₹ 10/- each)]</b>	4 (xxix)		
Basic		(14.16)	90.23
Diluted		(14.16)	90.23

Summary of significant accounting policies 3

The accompanying notes are an integral part of the financial statements

As per our report of even date

**For S.R. Batliboi & Co. LLP**  
Firm Registration Number: 301003E  
Chartered Accountants

per Pankaj Chadha  
Partner  
Membership No.: 91813



**For and on behalf of the Board of Directors of Fortis Hospitals Limited**

Aditya Vij  
Managing Director

Ashish Bhatia  
Director

Meetu Gulati  
Company Secretary

Place : Gurgaon  
Date : May 28, 2014

Place : Gurgaon  
Date : May 28, 2014

**Fortis Hospitals Limited**  
**Cash Flow Statement for the year ended March 31, 2014**

Particulars	March 31, 2014 ₹ in lacs	March 31, 2013 ₹ in lacs
<b>Cash flow from operating activities</b>		
<b>Profit/ (loss) before tax</b>	<b>(11,586.00)</b>	<b>48,142.39</b>
Adjustments for:		
Depreciation and amortisation expense	7,360.30	3,883.17
Loss on sale of assets	65.43	9.96
Profit on redemption of mutual fund	(185.94)	(376.44)
Provision for doubtful debts	2,393.18	310.80
Provision for doubtful advances	109.15	-
Profit on sale of investment	-	(43,149.65)
Profit on sale of undertaking	-	(1,112.31)
Provision for contingencies	8.27	-
Bad debts and sundry balances written off	602.50	78.86
Finance charges	136.99	424.91
Unrealised foreign exchange fluctuation loss (net)	7.98	-
Unclaimed balances and excess provisions written back	(123.70)	(393.07)
Wealth tax	4.64	-
Interest income	(7,838.39)	(1,741.88)
Dividend income	(58.76)	-
Interest expense	13,840.75	3,317.49
<b>Operating profit before working capital changes</b>	<b>4,736.40</b>	<b>9,394.23</b>
Movements in working capital :		
Increase in trade receivables	(4,881.39)	(1,092.16)
Decrease in inventories	220.86	45.95
(Increase)/ decrease in loans and advances	(67.97)	908.43
Increase in other assets	(826.57)	(1,452.16)
Increase in trade payables, other liabilities and provisions	2,537.49	3,003.74
<b>Cash generated from operations</b>	<b>1,718.82</b>	<b>10,808.03</b>
Direct taxes paid (net of refunds)	(5,349.28)	(4,507.00)
<b>Net cash flow from/ (used in) operating activities (A)</b>	<b>(3,630.46)</b>	<b>6,301.03</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets	(36,861.46)	(3,762.45)
Proceeds from sale of fixed assets	168.39	31.97
Redemption/ maturity of bank deposits	517.66	-
Loans to body corporates and others (given)/ repayments received (net)	36,563.08	(1,553.63)
Fixed deposits with bank	-	(107.47)
Loans to subsidiaries and fellow subsidiaries (given)/ repayments received (net)	9,426.92	7,283.61
(Purchase)/ proceeds from sale of investments in subsidiaries	(333.80)	49,578.69
(Purchase)/ proceeds of investments in mutual funds	8,693.44	(8,131.06)
Proceeds from sale of division	-	3,348.12
Interest received	10,284.29	759.85
Dividend received	58.76	-
<b>Net cash flow from investing activities (B)</b>	<b>28,517.28</b>	<b>47,447.63</b>
<b>Cash flows from financing activities</b>		
Proceeds from long-term borrowings	6,524.55	-
Repayments of long-term borrowings	(7,721.66)	(32,077.95)
Repayment of short-term borrowings (net)	(1,485.57)	(16,273.68)
Loan arrangement fees paid	(128.09)	(335.68)
Interest paid	(16,743.81)	(3,317.50)
<b>Net cash flow used in financing activities (C)</b>	<b>(19,554.58)</b>	<b>(52,004.81)</b>





**Fortis Hospitals Limited**  
**Cash Flow Statement for the year ended March 31, 2014**

Particulars	March 31, 2014 ₹ in Lacs	March 31, 2013 ₹ in Lacs
<b>Net increase in cash and cash equivalents (A + B + C)</b>	<b>5,332.24</b>	<b>1,743.85</b>
<b>Total cash and cash equivalents at the beginning of the year</b>	<b>1,968.47</b>	<b>224.62</b>
<b>Addition of Cash and cash equivalents on account of amalgamation (refer note 24)</b>	<b>710.14</b>	<b>-</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>8,010.85</b>	<b>1,968.47</b>
<b>Components of cash and cash equivalents:</b>		
Cash in hand	421.50	92.04
Cheques in hand	62.56	29.45
Balances with banks on current accounts	7,525.79	1,647.57
Balances with banks on deposit accounts	52.35	199.41
	<b>8,062.20</b>	<b>1,968.47</b>
Less: Deposits not considered as cash equivalents	51.35	-
<b>Total cash and cash equivalents</b>	<b>8,010.85</b>	<b>1,968.47</b>

Note: The amalgamation of Fortis Health Management (North) Limited with the Company (refer note 24) is a non cash transaction and hence, has no impact on the Company's cash flows for the year.

Summary of significant accounting policies

3

As per our report of even date

**For S.R. Batliboi & Co. LLP**

Firm Registration Number: 301003E

Chartered Accountants

per Pankaj Chadha

Partner

Membership No.: 91813



**For and on behalf of the Board of Directors of  
Fortis Hospitals Limited**

Aditya Vij  
Managing Director

Ashish Bhatia  
Director

Meetu Gulati  
Company Secretary

Place : Gurgaon

Date : May 28, 2014

Place : Gurgaon

Date : May 28, 2014

**1. Nature of Operations**

Fortis Hospitals Limited (the 'Company' or 'FHSL') was incorporated on June 18, 2009 as a wholly owned subsidiary of Fortis Healthcare Limited ('FHL'). The Company entered into a business transfer agreement with Wockhardt Hospitals Limited on August 24, 2009 to acquire the business division consisting of hospitals situated at Bangalore, Mumbai and Kolkata, on a going concern slump sale basis. The business of these hospitals were transferred to the Company on December 17, 2009. During the year, Fortis Health Management (North) Limited (another subsidiary of FHL) has been amalgamated with the Company, for further details refer note 24.

**2. Basis of preparation**

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

**3. Summary of Significant Accounting Policies**

**a. Use of estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

**b. Tangible fixed assets**

Fixed assets are stated at cost (or fair value, in case of acquisitions under slump sale) less of accumulated depreciation and impairment loss, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.



**c. Depreciation on tangible fixed assets**

- i. Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule XIV to the Companies Act, 1956, whichever is higher. The Company has used the following rates to provide depreciation on its fixed assets.

Assets	Rates (SLM)	Schedule XIV Rates (SLM)
Building	3.34%	3.34%
Plant and Machinery	4.75% - 33.33%	4.75%
Medical Equipment	7.07% - 87.15%	7.07%
Computers	16.21% - 85.31%	16.21%
Furniture and fittings	6.33% - 33.33%	6.33%
Office equipments	4.75% - 33.33%	4.75%
Vehicles	10.47% - 54.15%	9.5%

- ii. Depreciation on Leasehold improvements is provided over the primary period of lease or over the useful lives of the respective fixed assets, whichever is shorter.
- iii. Buildings constructed over the land under lease are depreciated over the shorter of estimated life or lease period.
- iv. Buildings constructed over the land under "Right of use arrangement" are depreciated over the estimated life.
- v. Individual assets not exceeding ₹ 5,000 are depreciated fully in the year of purchase in accordance with Companies Act, 1956.

**d. Expenditure on new projects and substantial expansion**

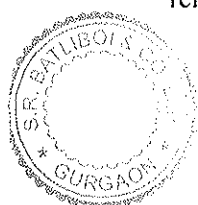
Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized to the extent to which the expenditure is related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period, which is not related to the construction activity nor is incidental thereto, is charged to the statement of profit and loss.

All direct capital expenditures on expansion are capitalized. All indirect expenses are usually excluded from the cost of fixed assets because they do not relate to a specific fixed asset. However, where such expenses are specifically attributable to construction of a project or bringing it to its working condition, are included as part of the cost of the construction project or as a part of the cost of the fixed asset.

Expenditure of administrative or general overheads nature incurred during the startup and commissioning of the hospital project, including such expenditure on test run, is usually capitalized as an indirect element of construction costs. However, expenditure incurred post commercial launch of the hospital is charged to statement of profit and loss.

**e. Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in an amalgamation in the nature of purchase is their fair value as at the date of amalgamation. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs which meet capitalization criteria, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.



Intangible assets are amortized on a straight line basis over the estimated useful economic life.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

#### **Goodwill**

Goodwill arising on acquisition is recognized based on the difference between the purchase consideration and assets acquired during acquisition. The same is carried at cost and tested for impairment on an accrual basis in accordance with impairment policy stated below.

#### **Software**

Cost of software is amortized over a period of 1-6 years, being the estimated useful life as per the management estimates.

#### **Non-compete fees**

Non compete fee which is valued based on the incremental cash flows attributable to the non-compete covenant entered during the acquisition of business is capitalized and amortised over an estimated useful period of 3-5 years over which the benefits are likely to accrue, on a straight line basis.

#### **Licence fee**

License fees represents fees paid pursuant to Name User Agreement that entitles the company for carrying on business. The amount paid has been capitalised and amortized over 4-10 years.

#### **Right of use of land**

Right of use of land is recognized based on the fee paid to operate and manage the hospitals acquired under acquisition and is not amortised, considering that this right is available to the Company on perpetual basis.

#### **f. Borrowing cost**

Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisitions, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the year they occur.

#### **g. Impairment of tangible and intangible assets**

- i. The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/ external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre tax discount rate that reflects current market assessment of the time value of money and risk specific to asset. This rate is estimated from the rate implicit in current market transactions for similar assets or from the weighted average cost of capital of the Company. Impairment losses are recognised in statement of profit and loss.
- ii. Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss, except for previously revalued tangible fixed assets, where the revaluation was taken to revaluation reserve. In this case, the impairment is also recognized in the revaluation reserve up to the amount of any previous revaluation.



- iii. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.
- iv. An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

**h. Leases**

*Where the Company is the lessee*

- a. Finance leases, which effectively transfer to the company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs are capitalized. If there is no reasonable certainty that the company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.
- b. Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

*Where the Company is the lessor*

- a. Leases in which the company transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the net investment in the lease. After initial recognition, the company apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognized in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.
- b. Leases in which the company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

**i. Investments**

Investments that are readily realisable and intended to be held for not more than a year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the long term investments.



On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**j. Inventories**

Inventories are valued as follows:

Medical Consumables, Drugs, Linen and Stores and Spares	Lower of cost and net realizable value. Cost is determined on First in First Out ('FIFO') basis.
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Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

The inventories of medical consumables in OPD business are expensed off on purchase.

**k. Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

*Operating Income*

Operating income is recognised as and when the services are rendered / pharmacy items are sold. Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. Management fee from hospitals and income from medical services is recognised as per the contractual obligations arising out of the contractual arrangements with respective hospitals.

*Income from Sponsorships*

Sponsorship income is recognized when the underlying obligations are completed as per contractual terms.

*Income from Academic Services*

Revenue is recognized on pro-rata basis on the completion of such services over the duration of the program.

*Equipment Lease Rentals and Income from Rent*

Revenue is recognised in accordance with the terms of lease agreements entered into with the respective lessees on straight line basis.

*Export benefits*

Income from 'Served from India Scheme' is recognized on accrual basis as and when eligible services are performed and convertible foreign exchange is received.

*Income from Clinical Research*

Income from clinical research is recognised as and when the services are rendered in accordance with the terms of the respective agreements.



*Interest*

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

*Sale of goods*

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.

**l. Unamortised finance charges**

Costs incurred in raising funds are amortised on straight line basis over the period for which the funds have been obtained, using time proportionate basis.

**m. Foreign Currency Transaction**

**i) Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**ii) Conversion**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

**iii) Exchange differences**

From accounting periods commencing on or after 7 December 2006, the Company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as below:

- (a) Exchange differences arising on a monetary item that, in substance, forms part of the Company's net investment in a non-integral foreign operation is accumulated in the foreign currency translation reserve until the disposal of the net investment. On the disposal of such net investment, the cumulative amount of the exchange differences which have been deferred and which relate to that investment is recognized as income or as expenses in the same period in which the gain or loss on disposal is recognized.
- (b) Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset. For this purpose, the company treats a foreign monetary item as "long-term foreign currency monetary item", if it has a term of 12 months or more at the date of its origination.
- (c) Exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" and amortized over the remaining life of the concerned monetary item.



- (d) All other exchange differences are recognized as income or as expenses in the period in which they arise.

For the purpose of b and c above, the company treats a foreign monetary item as “long-term foreign currency monetary item”, if it has a term of 12 months or more at the date of its origination. In accordance with MCA circular dated August 09, 2012 exchange differences for this purpose are total differences arising on long-term foreign currency monetary items for the period. In other words, the company does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

**iv) Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/liability**

The premium or discount arising at the inception of the forward exchange contract is amortized as an income/expense over the life of contract. Exchange difference on such contracts, except the contracts which are long term foreign currency monetary items, are recognized in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or expense for the period. Any gain/ loss arising on forward contracts which are long-term foreign currency monetary items are recognized in accordance with paragraph (iii) (b) and (iii) (c).

**n. Retirement and other employee benefits:**

**i) Contribution to provident fund**

The Company makes contributions to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952. Provident Fund is a defined contribution scheme for certain employees, the contributions for these employees are charged to the Statement of profit and loss of the year when an employee renders the related service.

For other employees, the provident fund is defined benefit scheme contribution of which is being deposited with “Fortis Healthcare Limited Provident Fund Trust” managed by the Fortis Healthcare Limited, the holding company (‘FHL’); such contribution to the trust additionally requires FHL to guarantee payment of interest at rates notified by the Central Government from time to time, for which shortfall, if any has to be provided for as at the balance sheet date by FHL. There are no other obligations other than the contribution payable to the fund.

**ii) Gratuity**

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation made at the end of the year using projected unit credit method.

**iii) Compensated absences**

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The company presents the leave as a current liability in the balance sheet; to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.





**iv) Actuarial gain/ losses**

Actuarial gains/losses are recognised in the Statement of Profit and Loss as they occur.

**o. Income Taxes**

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.



**p. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year (including prior period items, if any) attributable to the equity shareholders (after deducting preference dividends and attributable taxes, if any) by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**q. Provisions**

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**r. Cash and Cash Equivalents**

Cash and cash equivalents in the cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less at the date of acquisition.

**s. Measurement of EBITDA**

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the company includes interest income included under other income, but does not include depreciation and amortization expense, finance costs and tax expense.

**t. Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

**u. Segment Reporting**

As the Company's business activity primarily falls within a single business and geographical segment, there are no additional disclosures to be provided in terms of Accounting Standard 17 on 'Segment Reporting'.



**Fortis Hospitals Limited**  
**Notes to financial statements for the year ended March 31, 2014**

	March 31, 2014 ₹ in lacs	March 31, 2013 ₹ in lacs
<b>4 (i) Share capital</b>		
<b>Authorised Shares (Nos.)</b>		
60,000,000 (Previous year 55,000,000) Equity shares of ₹ 10 each	6,000.00	5,500.00
	<u>6,000.00</u>	<u>5,500.00</u>
<b>Issued Shares (Nos.)</b>		
40,300,577 (Previous year 40,250,577) Equity shares of ₹ 10 each fully paid up	4,030.06	4,025.06
<b>Total issued share capital</b>	<u>4,030.06</u>	<u>4,025.06</u>
<b>Subscribed and fully paid up Shares (Nos.)</b>		
40,300,577 (Previous year 40,250,577) Equity shares of ₹ 10 each fully paid up	4,030.06	4,025.06
<b>Total subscribed and fully paid up share capital</b>	<u>4,030.06</u>	<u>4,025.06</u>

**(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year**

**Equity Shares**

Particulars	March 31, 2014		March 31, 2013	
	Number	Value ₹ in Laacs	Number	Value ₹ in Laacs
At the beginning of the year	40,250,577	4,025.06	40,250,577	4,025.06
Issued during the year (refer note 24)	50,000	5.00	-	-
<b>Outstanding at the end of the year</b>	<b>40,300,577</b>	<b>4,030.06</b>	<b>40,250,577</b>	<b>4,025.06</b>

**(b) Terms/ rights attached to equity shares**

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(c) Shares held by holding/ ultimate holding company and/ or their subsidiaries**

**Equity Shares**

Name of Shareholder	March 31, 2014		March 31, 2013	
	Number	Value ₹ in lacs	Number	Value ₹ in lacs
Fortis Healthcare Limited*, the holding company	40,300,577	4,030.06	40,250,577	4,025.06

**(d) Details of shareholders holding more than 5% shares in the Company**

**Equity Shares**

Name of Shareholder	March 31, 2014		March 31, 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Fortis Healthcare Limited*, the holding company	40,300,577	100.00%	40,250,577	100.00%

\* Including 6 equity shares held by its nominees.

As per records of the Company, including its register of share holders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

**(e) Aggregate number of shares issued for consideration other than cash**

**Equity Shares**

Name of Shareholder	March 31, 2014		March 31, 2013	
	Number	Value ₹ in Laacs	Number	Value ₹ in Laacs
Equity Shares allotted as fully paid up pursuant to the scheme of amalgamation (refer note 24)	50,000	5.00	-	-



	March 31, 2014 ₹ in lacs	March 31, 2013 ₹ in lacs
<b>4 (ii) Reserves and surplus</b>		
<b>Securities premium account</b>		
Balance as per the last financial statement	36,180.52	36,180.52
<b>Closing balance</b>	<b>36,180.52</b>	<b>36,180.52</b>
<b>Surplus/ (deficit) in the statement of profit and loss</b>		
Balance as per the last financial statements	30,391.38	(5,926.46)
Additions on account of amalgamation (refer note 24)		
- Profit brought forward from the amalgamating company up to March 31, 2012, pursuant to the order of Hon'ble High Court of Delhi dated July 22, 2013	4,629.98	-
- Loss brought forward from the amalgamating company for the year 2012-2013, pursuant to the order of Hon'ble High Court of Delhi dated July 22, 2013	(11,864.25)	-
Add: Profit/ (loss) for the year	(5,706.89)	36,317.84
<b>Net surplus in the statement of profit and loss</b>	<b>17,450.22</b>	<b>30,391.38</b>
	<b>53,630.74</b>	<b>66,571.90</b>
<b>4 (iii) Long-term borrowings</b>		
<b>Secured</b>		
Term loan from a bank (refer note 17(i)(a))	13,800.00	4,000.00
Hire purchase loan from bank (refer note 17(i)(b))	4.52	12.56
Buyers' credit (refer note 17(i)(c))	956.89	-
Finance lease obligations (refer note 17(i)(d))	89.29	104.99
Deferred payment liabilities (refer note 17(i)(e))	876.66	-
	<b>15,727.36</b>	<b>4,117.55</b>
<b>Unsecured</b>		
Deferred payment liabilities (refer note 17(ii)(a))	346.54	-
	<b>346.54</b>	<b>-</b>
	<b>16,073.90</b>	<b>4,117.55</b>
<b>4 (iv) Deferred tax liabilities (net):</b>		
<b>Deferred tax liability arising on account of :</b>		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	13,456.05	9,165.89
<b>Gross deferred tax liability</b>	<b>13,456.05</b>	<b>9,165.89</b>
<b>Deferred tax asset arising on account of:</b>		
Impact of expenditure charged to the statement of profit and loss in the current period but allowed for tax purposes on payment basis	491.26	145.75
On carry forward business losses and unabsorbed depreciation	5,532.69	-
Provision for doubtful debt and advances	1,793.57	186.51
Others	14.06	54.01
<b>Gross deferred tax asset</b>	<b>7,831.58</b>	<b>386.27</b>
<b>Net deferred tax liability</b>	<b>5,624.47</b>	<b>8,779.62</b>
<b>4 (v) Other long term liabilities</b>		
Security deposit	9.59	22.53
Capital creditors	379.02	-
Lease equalization reserve	673.30	-
	<b>1,061.91</b>	<b>22.53</b>



**Fortis Hospitals Limited**  
**Notes to financial statements for the year ended March 31, 2014**

	March 31, 2014 ₹ in laes	March 31, 2013 ₹ in laes
<b>4 (vi) Long-term provisions</b>		
<b>Provision for employees benefits</b>		
Provision for gratuity (refer note 10)	730.76	366.97
	<b>730.76</b>	<b>366.97</b>
<b>Others</b>		
Provision for litigation (refer note 22)	83.24	166.49
	<b>83.24</b>	<b>166.49</b>
	<b>814.00</b>	<b>533.46</b>
<b>4 (vii) Short-term borrowings</b>		
<b>a Secured</b>		
Buyers' credit (refer note 17(i)(f))	677.61	-
	<b>677.61</b>	
<b>b Unsecured</b>		
Loans and advances from related parties		
- from a holding company (refer note 17(ii)(b))	70,686.17	147.15
	<b>70,686.17</b>	<b>147.15</b>
	<b>71,363.78</b>	<b>147.15</b>
<b>4 (viii) Trade payables</b>		
Trade payables (refer note 11 for details of dues to Micro and Small enterprises)	26,807.70	9,094.99
	<b>26,807.70</b>	<b>9,094.99</b>



	March 31, 2014 ₹ in lacs	March 31, 2013 ₹ in lacs
<b>4 (ix) Other current liabilities</b>		
Current maturities of long-term debt [refer note 17 (i) (a), (b) and (e) and 17 (ii) (a)]	6,075.26	3,017.50
Current maturities of finance lease obligations [refer note 17(i)(d)]	29.91	47.55
Interest accrued and due on borrowings	42.20	0.21
Interest accrued but not due on borrowings	9,616.75	-
Deferred revenue*	19.04	52.25
Advances from patients	2,682.07	1,100.27
Capital creditors	1,204.06	465.54
Sundry deposits	117.24	8.77
Book overdrafts	1,608.37	260.41
Payable to related parties	2,931.89	1.65
Statutory payables	2,662.02	606.32
Lease equalization reserve	42.42	-
Technology renewal fund	309.71	-
Others	143.25	65.41
	<b>27,484.19</b>	<b>5,625.88</b>

\* Deferred revenue represents payment received in advance for fixed fees contracts for which services had not been rendered at the end of the reporting period.

**4 (x) Short-term provisions**

**a Provision for employees benefits**

Provision for gratuity (refer note 10)	49.17	26.07
Provision for leave encashment	665.39	247.66
	<b>714.56</b>	<b>273.73</b>

**b Others**

Provision for taxation (net of advance tax and tax deducted at source)	-	2,624.12
Provision for contingencies	38.45	-
Provision for wealth tax	3.46	-
	<b>41.91</b>	<b>2,624.12</b>

**756.47 2,897.85**

**Movement in provision for contingencies**

Opening balance	-	-
Add: Additions on account of amalgamation (refer note 24)	30.18	-
Add: provision made during the year	8.27	-
<b>Closing balance</b>	<b>38.45</b>	<b>-</b>



## NOTE 4(xt) (a) : Tangible assets

Particulars	Leasehold land	Freehold land	Building	Leasehold improvements	Plant & machinery	Medical equipments	Medical Equipments taken under finance lease	Furniture & fittings	Computers	Office equipments	Vehicles	₹ in lacs Total
<b>Gross Block</b>												
At April 1, 2012	1,636.29	1,296.78	22,218.55	890.51	2,915.51	17,271.00	224.23	1,925.65	955.24	284.83	239.95	49,838.54
Additions	-	-	287.54	164.62	200.21	1,699.12	-	133.31	161.58	45.05	52.40	2,743.83
Other adjustments*	-	-	118.62	0.19	926.71	(1,008.90)	-	(76.55)	38.26	(21.42)	5.97	(17.12)
Disposals	1,636.29	319.03	20,704.98	-	2,496.70	4,194.11	-	416.50	2.42	0.66	31.45	29,802.14
At March 31, 2013	-	977.75	1,919.73	1,055.32	1,545.73	13,267.11	224.23	1,565.91	1,132.66	307.80	266.87	22,763.11
Additions	-	9,349.84	5,588.73	112.69	386.13	20,668.65	-	1,782.56	565.67	781.67	201.63	39,437.87
Additions under amalgamation (refer note 24)	-	-	66.37	2,775.83	1,715.64	12,412.34	-	698.27	789.77	532.32	452.38	19,442.92
Other adjustments*	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	402.79	33.43	149.79	-	59.94	8.98	9.88	115.15	779.96
At March 31, 2014	-	10,327.59	7,574.83	3,541.05	3,614.07	46,698.31	224.23	3,986.80	2,479.12	1,611.91	805.73	80,863.64
<b>Depreciation</b>												
At April 1, 2012	36.60	-	1,230.24	222.05	1,218.61	4,427.11	9.45	382.59	272.02	169.37	67.69	8,055.73
Charge for the year	9.14	-	441.64	189.45	411.29	1,845.08	32.04	198.87	183.66	53.85	52.23	3,417.25
Other adjustments*	-	-	31.09	(0.35)	178.19	(189.81)	-	(26.23)	7.55	(33.98)	2.03	(31.51)
Disposals	45.74	-	1,518.45	-	1,402.42	1,428.34	-	86.69	0.30	0.42	10.41	4,492.77
At March 31, 2013	-	204.52	204.52	411.15	405.67	4,654.04	41.49	468.54	462.93	188.82	111.54	6,948.70
Charge for the year	-	-	88.57	754.81	286.73	4,218.29	32.04	522.56	392.93	151.90	109.96	6,557.79
Additions under amalgamation (refer note 24)	-	-	0.92	746.13	196.96	1,708.00	-	175.27	189.10	88.80	70.99	3,176.17
Other adjustments*	-	-	-	-	0.07	-	-	-	3.93	(4.00)	-	-
Disposals	-	-	-	336.08	11.52	73.32	-	55.59	6.81	7.84	55.02	546.18
At March 31, 2014	-	-	294.01	1,576.01	877.91	10,507.01	73.53	1,110.78	1,042.98	417.68	237.47	16,136.48
<b>Net Block</b>												
At March 31, 2013	-	977.75	1,715.21	644.17	1,140.06	9,113.07	182.74	1,097.37	669.73	118.98	155.33	15,814.41
At March 31, 2014	-	10,327.59	7,280.82	1,965.04	2,736.16	36,191.30	150.70	2,876.02	1,437.04	1,194.23	568.26	64,727.16

\* Other adjustments include necessary reclassifications and inter head transfers and adjustments to depreciation thereof.

## Notes:

- 1) The above assets include certain fixed assets leased pursuant to operating lease agreement (refer note 6(a)).
- 2) Freehold land as on April 1, 2012 includes Rs.319 lacs pending registration in the name of the Company.
- 3) Leasehold land as on April 1, 2012 consist of leasehold right for a land at Kolkata provided by the Kolkata Municipal Development Authority (KMDA). The land is subject to a dispute between KMDA and Land Revenue Department with regard to its usage.
- 4) Buildings as on April 1, 2012 includes Rs. 8,579.18 lacs at certain location constructed on leasehold land and Rs. 6,079.19 lacs incurred on buildings under Operating and Management contract.
- 5) During the previous year ended March 31, 2013, the Company pursuant to entering into Business Transfer Agreements transferred certain Freehold Land, Leasehold Land, Right to use land, part of Buildings and other fixed assets (refer note 19).



**Fortis Hospitals Limited**

**Notes to financial statements for the year ended March 31, 2014**

**NOTE 4(xi) (b) : Intangible assets**

Particulars	Non compete fees	License fee	Right of use of land	Software	Goodwill	Total
<b>Gross Block</b>						
At April 1, 2012	1,550.00	-	5,137.11	332.64	43,176.43	50,196.18
Additions	-	360.90	-	152.38	-	513.28
Other adjustments*	-	-	-	17.12	-	17.12
Disposals	-	-	5,137.11	-	-	5,137.11
<b>At March 31, 2013</b>	<b>1,550.00</b>	<b>360.90</b>	-	<b>502.14</b>	<b>43,176.43</b>	<b>45,589.47</b>
Additions	-	-	-	1,526.80	-	1,526.80
Additions on amalgamation (refer note 24)	-	1,500.00	-	508.73	3,122.35	5,131.08
Disposals	-	-	-	0.13	-	0.13
<b>At March 31, 2014</b>	<b>1,550.00</b>	<b>1,860.90</b>	-	<b>2,537.54</b>	<b>46,298.78</b>	<b>52,247.22</b>
<b>Amortization</b>						
At April 1, 2012	1,182.07	-	-	99.46	-	1,281.53
Charge for the year	367.93	17.01	-	80.98	-	465.92
Other adjustments*	-	-	-	31.51	-	31.51
Disposals	-	-	-	-	-	-
<b>At March 31, 2013</b>	<b>1,550.00</b>	<b>17.01</b>	-	<b>211.95</b>	-	<b>1,778.96</b>
Charge for the year	-	336.09	-	466.42	-	802.51
Additions on amalgamation (refer note 24)	-	612.50	-	174.51	-	787.01
Disposals	-	-	-	0.09	-	0.09
<b>At March 31, 2014</b>	<b>1,550.00</b>	<b>965.60</b>	-	<b>852.79</b>	-	<b>3,368.39</b>
<b>Net Block</b>						
At March 31, 2013	-	343.89	-	290.19	43,176.43	43,810.51
At March 31, 2014	-	895.30	-	1,684.75	46,298.78	48,878.83

\* Other adjustments include necessary reclassifications and inter head transfers and adjustments to depreciation thereof.

**Notes:**

Right of use of Land as on April 1, 2012 was under Operating and Management contract for an initial period of 20 years, renewable for further periods of 20 years each, at the option of the Company.

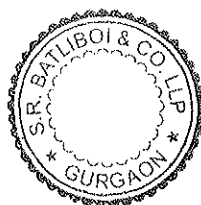




	March 31, 2014 ₹ in lacs	March 31, 2013 ₹ in lacs
<b>4 (xii) Non-current investments</b>		
<b>Trade investments (valued at cost unless stated otherwise)</b>		
<b>A. Investment in subsidiaries</b>		
<b>Unquoted equity instruments</b>		
Fortis C-Doc Healthcare Limited (refer note 24)	622.85	-
4,060,637 (Previous year NIL) Equity Shares of ₹ 10/- each, fully paid up		
Fortis Health Management (East) Limited (refer note 24)	4.40	-
44,000 (Previous year NIL) Equity Shares of ₹ 10/- each, fully paid up		
Fortis Health Management (South) Limited	5.00	5.00
50,000 (Previous year 50,000) Equity Shares of ₹ 10/- each, fully paid up		
<b>Quoted equity instruments</b>		
Fortis Malar Hospitals Limited (refer note 7)	0.01	0.01
11,752,402 (Previous year 11,752,402) Equity Shares of ₹ 10/- each fully paid up		
<b>B. Investment in associate companies</b>		
<b>Unquoted equity instruments</b>		
Fortis Emergency Services Limited	2.45	2.45
24,500 (Previous year 24,500) Equity Shares of ₹ 10/- each fully paid up		
<b>Aggregate amount of investments</b>	<b>634.71</b>	<b>7.46</b>
<b>Note:</b>		
Aggregate amount of quoted investments - at cost	0.01	0.01
Aggregate amount of quoted investments - at market value	2,985.11	3,467.55
Aggregate amount of unquoted investments	634.70	7.45
<b>4 (xiii) Long-term loans and advances</b>		
<b>Unsecured, considered good</b>		
Loan to subsidiaries (refer note 23)	2,945.51	1,682.20
Loan to body corporates and others	12,325.00	-
Capital advances	10,221.60	69.74
Security deposits	1,563.95	1,184.97
Advance tax and tax deducted at source (net of provision for taxation)	8,173.29	-
Balances with customs excise and other authorities	17.29	-
MAT credit entitlement	7,414.20	6,468.63
Advances recoverable in cash or in kind or for value to be received	10.20	-
	<b>42,671.04</b>	<b>9,405.54</b>
<b>4 (xiv) Other non-current assets</b>		
<b>Unsecured, considered good unless stated otherwise</b>		
Interest accrued but not due on loans and deposits	267.55	-
Unamortized finance charges	112.13	-
Bank deposits with more than 12 months	478.46	109.97
Bank deposits held as margin money	53.76	-
	<b>911.90</b>	<b>109.97</b>



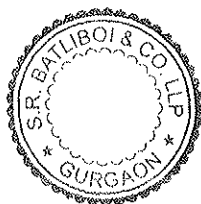
	March 31, 2014 ₹ in lacs	March 31, 2013 ₹ in lacs
<b>4 (xv) Current investments</b>		
<b>Investments in mutual funds (valued at lower of cost and fair value, unless stated otherwise)</b>		
<b>Non-trade (Unquoted)</b>		
Religare Liquid Fund	-	1,750.00
Nil (Previous year 108,621.39) units of ₹ Nil (Previous year ₹ 1,611.10) each		
Axis Treasury Advantage Fund	-	500.00
Nil (Previous year 38,576.90) units of ₹ Nil (Previous year ₹ 1,296.11) each		
Axis Treasury Advantage Growth Fund	-	500.00
Nil (Previous year 38,566.32) units of ₹ Nil (Previous year ₹ 1,296.47) each		
Axis Liquid Fund	-	7.50
Nil (Previous year 588.20) units of ₹ Nil (Previous year ₹ 1,275.07) each		
Reliance Liquid Fund	-	1,750.00
Nil (Previous year 61,310.71) units of ₹ Nil (Previous year ₹ 2,854.31) each		-
Birla Sunlife Cash Plus Fund	-	1,750.00
Nil (Previous year 932,342.31) units of ₹ Nil (Previous year ₹ 187.70) each		
UTI Liquid Cash Plan Institutional Fund	-	500.00
Nil (Previous year 26,023.91) units of ₹ Nil (Previous year ₹ 1,921.31) each		
ICICI Prudential Liquid Fund	-	1,750.00
Nil (Previous year 1,009,931.96) units of ₹ Nil (Previous year ₹ 173.28) each		
<b>Aggregate amount of unquoted investments</b>	<b>-</b>	<b>8,507.50</b>
<b>4 (xvi) Inventories (valued at lower of cost and net realizable value)</b>		
Medical consumables and drugs	2,048.09	862.01
Linen	82.14	66.68
Stores and spares	89.64	-
	<b>2,219.87</b>	<b>928.69</b>
<b>4 (xvii) Trade receivables</b>		
<b>Outstanding for a period exceeding six months from the date they are due for</b>		
Unsecured, considered good	3,704.22	864.58
Doubtful	4,722.58	1,193.67
	<b>8,426.80</b>	<b>2,058.25</b>
<b>Other receivables</b>		
Unsecured, considered good	16,705.76	4,257.17
Doubtful	241.35	-
	<b>16,947.11</b>	<b>4,257.17</b>
Less: Provision for doubtful receivables	4,963.93	1,193.67
	<b>20,409.98</b>	<b>5,121.75</b>
<b>4 (xviii) Cash and bank balances</b>		
<b>Cash and cash equivalents</b>		
Balances with banks		
- on current accounts	7,525.79	1,647.57
- On deposit accounts with original maturity of less than 3 months	1.00	199.41
Cash in hand	421.50	92.04
Cheques in hand	62.56	29.45
<b>Other bank Balances</b>		
Deposits with original maturity of more than 3 months but less than 12 months	34.45	-
Deposits with original maturity of more than 12 months	11.79	-
Bank deposits held as margin money	5.11	-
	<b>8,062.20</b>	<b>1,968.47</b>



	March 31, 2014	March 31, 2013
	₹ in lacs	₹ in lacs
<b>4 (xix) Short-term loans and advances</b>		
<b>Unsecured, considered good</b>		
Loans to an associate	3,058.53	1,796.00
Loan to a fellow subsidiary (refer note 23)	-	10,464.32
Loan to body corporates and others	6,797.00	97.04
Advances recoverable in cash or in kind or for value to be received	3,670.87	1,074.77
Security deposits	145.54	18.46
Balances with customs excise and other authorities	47.50	-
Gratuity fund	46.51	-
Loan to employees	1.35	1.26
	<b>13,767.30</b>	<b>13,451.85</b>
<b>Unsecured- doubtful</b>		
Advances recoverable in cash and kind or for value to be received	287.53	-
	<b>287.53</b>	<b>-</b>
<b>Provision</b>		
Advances recoverable in cash and kind or for value to be received	287.53	-
	<b>287.53</b>	<b>-</b>
	<b>13,767.30</b>	<b>13,451.85</b>
<b>4 (xx) Other current assets</b>		
<b>Unsecured, considered good unless stated otherwise</b>		
Interest accrued due and not due on loans and deposits	199.51	1,110.97
Unamortized finance charges	47.28	-
Accrued operating income	3,501.61	1,313.03
Assets held for sale	0.53	-
	<b>3,748.93</b>	<b>2,424.00</b>



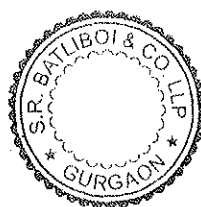
	March 31, 2014 ₹ in lacs	March 31, 2013 ₹ in lacs
<b>4 (xxi) Revenue from operations</b>		
<b>Sale of services</b>		
In patient	149,993.85	51,225.58
Out patient	26,982.32	9,319.08
Laboratory/ clinical services	62.28	-
Income from medical services	363.43	-
Management fees from hospitals	1,242.39	128.94
Income from satellite centers	1.78	-
Income from clinical research	40.41	10.65
	<b>178,686.46</b>	<b>60,684.25</b>
Less: Trade discounts	2,501.22	520.98
	<b>176,185.24</b>	<b>60,163.27</b>
<b>Sale of goods</b>		
Pharmacy	1,920.13	1,215.73
	<b>1,920.13</b>	<b>1,215.73</b>
<b>Other operating income</b>		
Income from academic services	40.72	26.85
Income from rent	137.05	45.55
Equipment lease rental	164.14	-
Duty credit entitlement	906.76	257.16
Sponsorship income	156.64	14.32
Scrap sale	29.74	14.14
Sale of plasma	8.74	-
Unclaimed balances and excess provisions written back	123.70	393.07
Miscellaneous income	435.38	121.96
	<b>2,002.87</b>	<b>873.05</b>
	<b>180,108.24</b>	<b>62,252.05</b>
<b>4 (xxii) Other income</b>		
Interest on bank deposits	25.76	22.84
Interest on loans- others	7,812.63	1,719.04
Foreign exchange fluctuation gain (net)	-	0.89
Profit on redemption of mutual funds	185.94	376.44
Dividend income	58.76	-
Miscellaneous income	24.33	11.35
	<b>8,107.42</b>	<b>2,130.56</b>
<b>4 (xxiii) Increase in inventories of medical consumables and drugs</b>		
Inventory at the beginning of the year	862.01	937.01
Additions on account of amalgamation (refer note 24)	1,435.47	-
Inventories at the end of the year	2,048.09	862.01
	<b>249.39</b>	<b>75.00</b>



**Fortis Hospitals Limited**  
**Notes to financial statements for the year ended March 31, 2014**

	March 31, 2014 ₹ in lacs	March 31, 2013 ₹ in lacs
<b>4 (xxiv) Employee benefits expense*</b>		
Salaries, wages and bonus	20,178.63	6,559.50
Gratuity expense (refer note 10)	132.57	87.34
Leave encashment	241.13	24.25
Contribution to provident and other funds	1,221.54	457.00
Staff welfare expenses	1,278.53	513.67
Recruitment and training	92.60	60.21
	<b>23,145.00</b>	<b>7,701.97</b>
<b>4 (xxv) Other expenses*</b>		
Contractual manpower	2,388.45	171.32
Power, fuel and water	5,267.52	1,909.94
Housekeeping expenses including consumables	1,807.96	1,279.67
Patient food and beverages	2,436.29	818.44
Pathology laboratory expenses	6,040.02	1,832.77
Radiology expenses	206.78	-
Consultation fees to doctors	16,554.85	11,110.71
Professional charges to doctors	21,857.55	1,722.12
Hospital service fee expenses	38,979.88	5,475.45
Cost of medical services	487.21	25.55
Repairs and maintenance		
- Building	356.19	89.98
- Plant and machinery	1,898.00	680.74
- Others	1,099.34	437.12
Rent		
- Hospital buildings	1,457.39	869.68
- Equipments	401.66	122.09
- Others	1,107.91	147.87
Donations	1.20	1.20
Legal and professional fee	941.81	350.55
Travel and conveyance	1,304.62	430.38
Rates and taxes	127.20	179.51
Printing and stationary	808.73	377.82
Communication expenses	372.42	169.64
Insurance	508.07	17.14
Marketing and business promotion	7,541.21	1,895.11
Wealth tax	4.64	-
Loss on sale of assets	65.43	9.96
Payment to auditor		
As auditor:		
-Audit fee	44.00	37.52
-Limited review	24.00	-
- Tax audit fee	8.50	3.92
-Certification and other services	11.56	13.44
-Out of pocket expenses	9.01	1.70
Foreign exchange fluctuation loss (net)	77.69	-
Bad debts and sundry balances written off	602.50	78.86
Provision for doubtful debts	2,393.18	310.80
Provision for doubtful advances	109.15	-
Provision for contingencies	8.27	-
Miscellaneous expenses	230.00	132.32
	<b>117,540.19</b>	<b>30,703.32</b>

[\* Net of trial run expenses/ income, capitalized (refer note 18)]



**Fortis Hospitals Limited**  
**Notes to financial statements for the year ended March 31, 2014**

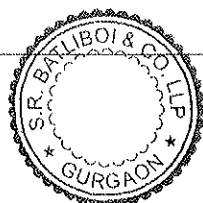
	March 31, 2014	March 31, 2013
	₹ in lacs	₹ in lacs
<b>4 (xxvi) Finance costs</b>		
Interest expense:		
-on term loans	2,503.17	2,822.48
-on cash credit	5.49	341.28
-others	11,332.09	153.73
	<b>13,840.75</b>	<b>3,317.49</b>
Bank charges	469.11	142.10
Other borrowing costs:		
- Finance charges	136.99	424.91
	<b>606.10</b>	<b>567.01</b>
	<b>14,446.85</b>	<b>3,884.50</b>
<b>4 (xxvii) Depreciation and amortization expense</b>		
Depreciation of tangible assets	6,557.79	3,417.25
Amortization of intangible assets	802.51	465.92
	<b>7,360.30</b>	<b>3,883.17</b>
<b>4 (xxviii) Exceptional items</b>		
Profit on sale of investment (refer note 21)	-	43,149.65
Profit on sale of undertaking (refer note 20)	-	1,112.31
	-	<b>44,261.96</b>
<b>4 (xxix) Earnings/ (loss) per share (EPS)</b>		
Profit/ (loss) as per statement of profit and loss	(5,706.89)	36,317.84
Weighted average number of equity shares in calculating Basic and Diluted EPS	40,300,577	40,250,577



## 5. Related party Disclosure

## i. Names of related parties

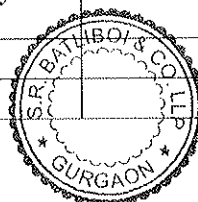
Related Parties where control exists:-		
(a)	Ultimate Holding Company	RHC Holding Private Limited (holding of Fortis Healthcare Holdings Private Limited)
(b)	Holding Companies	Fortis Healthcare Holdings Private Limited (holding of Fortis Healthcare Limited) Fortis Healthcare Limited ('FHL')
(c)	Subsidiaries	Fortis Health Management (South) Limited Fortis Malar Hospitals Limited Malar Stars Medicare Limited Fortis C-Doc Healthcare Limited Lalitha Healthcare Private Limited Fortis Health Management (East) Limited (from October 8, 2012)
Related parties with whom transactions have been taken place during the period:-		
(d)	Fellow Subsidiaries	Hiranandani Healthcare Private Limited Fortis Healthcare International Pte Limited Fortis Asia Healthcare Pte Limited Fortis Hospotel Limited SRL Limited Fortis Health Management (North) Limited* Fortis Hoan My Medical Corporation Escorts Heart Institute and Research Centre Limited Religare Wellness Limited Medsorce Healthcare Private Limited
(e)	Joint Venture	Fortis Cauvery
(f)	Associate	Fortis Emergency Services Limited
(g)	Key Managerial Personnel ('KMP')	Mr. Aditya Vij- Managing Director (w.e.f. August 29, 2013) Mr. Ashish Bhatia- Wholetime Director (w.e.f. August 29, 2013)
(h)	Individuals (directly or indirectly) having control or significant influence over reporting enterprise	Mr. Malvinder Mohan Singh Mr. Shivinder Mohan Singh
(i)	Enterprises over which any person mentioned at (g) and (h) have significant influence	Religare Technologies Limited Chethana Foundation Sunrise Medicare Private Limited International Hospital Limited (w.e.f. October 19, 2012) Kanishka Healthcare Limited (w.e.f. October 19, 2012) Fortis Health Management Limited (w.e.f. October 19, 2012) Fortis Hospital Management Limited Fortis Educational Society Escorts Heart and Super Speciality Institute Limited (w.e.f. October 19, 2012) Escorts Heart Centre Limited Escorts Hospital and Research Centre Limited (w.e.f. October 19, 2012) Escorts Heart and Super Speciality Hospital Limited (w.e.f. October 19, 2012) Fortis Global Healthcare Infrastructure Pte Limited (w.e.f. October 19, 2012) Religare Technova IT Services Limited



**Fortis Hospitals Limited**
**Notes to financial statements for the year ended March 31, 2014**

The schedule of related party is as follows:-

	(₹ in lacs)	
Transactions details	Year Ended March 31, 2014	Year Ended March 31, 2013
<b>Transactions during the year</b>		
<b>Management support expenses allocated to related parties</b>		
Lalitha Healthcare Private Limited (Subsidiary )	-	149.90
<b>Operating income (including Income from medical services, Management fees from hospitals, Rental, Pharmacy income and other income)</b>		
SRL Limited (Fellow Subsidiary)	184.69	4.39
Kanishka Healthcare Limited (Owned/significantly influenced by KMP/their relatives)	1.23	3.23
Lalitha Healthcare Private Limited (Subsidiary )	150.77	15.17
Fortis Healthcare Limited (Holding Company )	15.69	-
Escorts Heart Institute and Research Centre Limited (Fellow Subsidiary)	11.24	-
Fortis C-Doc Healthcare Limited (Subsidiary )	23.37	-
Escorts Heart Centre Limited (Owned/significantly influenced by KMP/their relatives)	6.62	-
Religare Wellness Limited (Fellow Subsidiary)	54.71	-
<b>Expense incurred by the Company on behalf of</b>		
SRL Limited (Fellow Subsidiary)	5.78	-
International Hospital Limited (Owned/significantly influenced by KMP/their relatives)	21.13	-
Sunrise Medicare Private Limited (Owned/significantly influenced by KMP/their relatives)	1.01	-
Fortis Healthcare Limited (Holding Company )	69.78	-
Escorts Heart Institute and Research Centre Limited (Fellow Subsidiary)	7.23	-
Fortis Hospotel Limited (Fellow Subsidiary)	42.67	-
Fortis Health Management Limited (Owned/significantly influenced by KMP/their relatives)	15.90	-
Lalitha Healthcare Private Limited (Subsidiary )	1.60	-
Fortis Emergency Services Limited (Associate)	0.06	-
Kanishka Healthcare Limited (Owned/significantly influenced by KMP/their relatives)	69.13	-
Hiranandani Healthcare Private Limited (Fellow Subsidiary)	0.45	-
<b>Expense incurred on behalf of the Company by</b>		
Fortis Healthcare Limited (Holding Company )	1,144.03	-
SRL Limited (Fellow Subsidiary)	61.83	9.43
Escorts Heart Institute and Research Centre Limited (Fellow Subsidiary)	2.98	-
Kanishka Healthcare Limited (Owned/significantly influenced by KMP/their relatives)	56.75	-
Fortis Hospotel Limited (Fellow Subsidiary)	1,262.55	-
International Hospital Limited (Owned/significantly influenced by KMP/their relatives)	528.14	-
Fortis Health Management (East) Limited (Subsidiary)	2.36	-

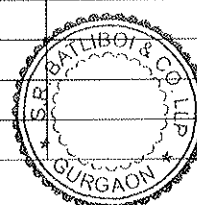




**Fortis Hospitals Limited**
**Notes to financial statements for the year ended March 31, 2014**

(₹ in lacs)

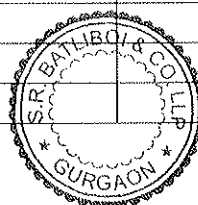
Transactions details	Year Ended March 31, 2014	Year Ended March 31, 2013
<b>Interest income on loans and advances to</b>		
Fortis Emergency Services Limited (Associate)	193.27	98.36
Kanishka Healthcare Limited (Owned/significantly influenced by KMP/their relatives)	-	443.51
Fortis Health Management (North) Limited (Fellow Subsidiary) *	-	1,031.94
Fortis C-Doc Healthcare Limited (Subsidiary )	31.91	-
Fortis Health Management (East) Limited (Subsidiary)	35.81	-
Fortis Health Management (South) Limited (Subsidiary )	214.55	-
<b>Interest expense on loan taken from</b>		
Escorts Heart Institute and Research Centre Limited (Fellow Subsidiary)	46.34	-
Fortis Healthcare Limited (Holding Company)	10,648.55	-
Malar Stars Medicare Limited (Subsidiary)	322.36	-
RHC Holding Private Limited (Ultimate holding company)	-	153.59
<b>Purchase of fixed assets</b>		
Religare Technologies Limited (Owned/significantly influenced by KMP/their relatives)	-	4.57
<b>Sale of fixed assets</b>		
Fortis Health Management (East) Limited (Subsidiary)	12.42	-
Kanishka Healthcare Limited (Owned/significantly influenced by KMP/their relatives)	-	19.41
<b>Loans/ advances given</b>		
Fortis Health Management (East) Limited (Subsidiary)	266.00	-
Fortis Emergency Services Limited (Associate)	1,174.00	-
Fortis C-Doc Healthcare Limited (Subsidiary )	300.92	-
<b>Loans/ advances received back</b>		
Fortis C-Doc Healthcare Limited (Subsidiary )	305.30	-
<b>Loans / Advances taken</b>		
Fortis Healthcare Limited (Holding Company )	170,329.00	-
Fortis Healthcare International Pte Limited (Fellow subsidiary)	-	52.41
RHC Holding Private Limited (Ultimate holding company)	-	35,500.00
<b>Loans / Advances repaid</b>		
Kanishka Healthcare Limited (Owned/significantly influenced by KMP/their relatives)	-	210.10
Fortis Health Management Limited (Owned/significantly influenced by KMP/their relatives)	-	14.62
Fortis Educational Society (Owned/significantly influenced by KMP/their relatives)	-	36.51
Lalitha Healthcare Private Limited (Subsidiary )	-	10.93
Hiranandani Healthcare Private Limited (Fellow Subsidiary)	-	9.24
Fortis Malar Hospital Limited (Subsidiary)	-	9.02
International Hospital Limited (Owned/significantly influenced by	-	38.44



**Fortis Hospitals Limited**
**Notes to financial statements for the year ended March 31, 2014**

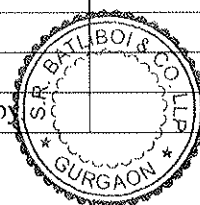
(₹ in lacs)

Transactions details	Year Ended March 31, 2014	Year Ended March 31, 2013
KMP/their relatives)		
Escorts Heart Institute and Research Centre Limited (Fellow Subsidiary)	1,146.45	1.12
Malar Stars Medicare Limited (Subsidiary)	6,209.10	-
Fortis Hoan My Medical Corporation (Fellow Subsidiary)	-	3.40
Fortis Healthcare Limited (Holding Company )	171,386.00	14,452.71
Fortis Health Management (South) Limited (Subsidiary )	-	656.40
Fortis Health Management (North) Limited (Fellow Subsidiary) *	-	467.13
Fortis Emergency Services Limited (Associate)	-	1,449.00
RHC Holding Private Limited (Ultimate holding company)	-	35,500.00
<b>Sale of Business Division</b>		
Kanishka Healthcare Limited (Owned/significantly influenced by KMP/their relatives)	-	20,200.00
International Hospital Limited (Owned/significantly influenced by KMP/their relatives)	-	12,850.00
<b>Professional charges to doctors</b>		
Fortis Emergency Services Limited (Associate)	2.35	-
<b>Consultation fees to doctors</b>		
Escorts Heart Institute and Research Centre Limited (Fellow Subsidiary)	320.51	-
Fortis C-Doc Healthcare Limited (Subsidiary )	46.65	-
<b>Pathology laboratory expenses</b>		
Escorts Heart Institute and Research Centre Limited (Fellow Subsidiary)	5.33	-
Lalitha Healthcare Private Limited (Subsidiary )	0.98	-
SRL Limited (Fellow Subsidiary)	5,549.64	1,644.74
<b>Hospital service fee expense</b>		
Escorts Heart and Super Speciality Institute Limited (Owned/significantly influenced by KMP/their relatives)	4,673.96	-
Escorts Hospital and Research Centre Limited (Owned/significantly influenced by KMP/their relatives)	2,154.06	-
Fortis Hospotel Limited (Fellow Subsidiary)	12,234.79	-
Kanishka Healthcare Limited (Owned/significantly influenced by KMP/their relatives)	4,163.71	4,349.83
International Hospital Limited (Owned/significantly influenced by KMP/their relatives)	15,753.36	1,125.62
<b>Purchase of Medical &amp; Other services</b>		
Religare Technologies Limited (Owned/significantly influenced by KMP/their relatives)	-	2.24
Lalitha Healthcare Private Limited (Subsidiary )	-	0.15
Fortis Emergency Services Limited (Associate)	-	26.79
<b>Cost of Medical Services</b>		
Escorts Heart Institute and Research Centre Limited (Fellow	150.38	-



(₹ in lacs)

Transactions details	Year Ended March 31, 2014	Year Ended March 31, 2013
Subsidiary)		
Fortis Healthcare Limited (Holding Company )	177.00	-
<b>Purchase of medical consumables</b>		
Escorts Heart Institute and Research Centre Limited (Fellow Subsidiary)	2.33	-
Hiranandani Healthcare Private Limited (Fellow Subsidiary)	0.09	-
Medsources Healthcare Private Limited (Fellow Subsidiary)	139.99	-
Religare Wellness Limited (Fellow Subsidiary)	361.24	-
Lalitha Healthcare Private Limited (Subsidiary )	58.45	69.97
<b>Housekeeping expenses including consumables</b>		
Fortis Health Management Limited (Owned/significantly influenced by KMP/their relatives)	13.00	-
International Hospital Limited (Owned/significantly influenced by KMP/their relatives)	24.25	-
<b>Travel and conveyance expenses</b>		
Fortis Emergency Services Limited (Associate)	67.57	-
<b>Rent paid</b>		
Kanishka Healthcare Limited (Owned/significantly influenced by KMP/their relatives)	-	22.22
Chethana Foundation (Owned/significantly influenced by KMP/their relatives)	20.22	20.22
<b>Sale of Shares</b>		
Escorts Heart and Super Speciality Institute Limited (Owned/significantly influenced by KMP/their relatives)	-	45,758.29
Fortis Global Healthcare Infrastructure Pte Limited (Fellow subsidiary)	-	3,815.42
Fortis Health Management (North) Limited (Fellow Subsidiary) *	-	5.00
<b>Corporate guarantee given</b>		
Fortis Asia Healthcare Pte Limited (Fellow Subsidiary)	-	217,140.00
<b>Corporate guarantee withdrawn</b>		
Fortis Asia Healthcare Pte Limited (Fellow Subsidiary)	217,140.00	-
<b>Collection on behalf of company:</b>		
International Hospital Limited (Owned/significantly influenced by KMP/their relatives)	1,219.83	-
Escorts Heart Institute and Research Centre Limited (Fellow Subsidiary)	50.42	-
Fortis Healthcare Limited (Holding Company )	681.47	-
Escorts Hospital and Research Centre Limited (Owned/significantly influenced by KMP/their relatives)	3,904.47	-
<b>Collection on behalf of other:</b>		
International Hospital Limited (Owned/significantly influenced by	0.25	-



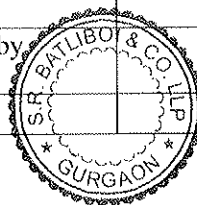
**Fortis Hospitals Limited**
**Notes to financial statements for the year ended March 31, 2014**

(₹ in lacs)

Transactions details	Year Ended March 31, 2014	Year Ended March 31, 2013
KMP/their relatives)		
Escorts Heart and Super Speciality Hospital Limited (Owned/significantly influenced by KMP/their relatives)	18.23	-
Fortis Healthcare Limited (Holding Company )	28.90	-
Escorts Heart Institute and Research Centre Limited (Fellow Subsidiary)	7.97	-

(₹ in lacs)

Balance outstanding at the year end	As at March 31, 2014	As at March 31, 2013
<b>Balance recoverable</b>		
Fortis Health Management Limited (Owned/significantly influenced by KMP/their relatives)	1.08	2.16
Fortis Health Management (North) Limited (Fellow Subsidiary) *	-	10,467.14
Fortis Healthcare Limited (Holding Company )	1,471.13	126.20
Fortis C-Doc Healthcare Limited (Subsidiary )	178.00	-
Lalitha Healthcare Private Limited (Subsidiary )	486.78	325.63
Fortis Health Management (South) Limited (Subsidiary )	2,367.70	1,682.20
Fortis Emergency Services Limited (Associate)	3,058.53	1,795.45
Fortis Healthcare International Pte Limited (Fellow subsidiary)	-	9.98
Hiranandani Healthcare Private Limited (Fellow Subsidiary)	12.23	9.24
Escorts Heart Institute and Research Centre Limited (Fellow Subsidiary)	1,346.25	1.12
Fortis Cauvery (Joint Venture)	11.77	11.22
Fortis Hoan My Medical Corporation (Fellow Subsidiary)	-	3.40
Chethana Foundation (Owned/significantly influenced by KMP/their relatives)	-	350.00
Fortis Educational Society (Owned/significantly influenced by KMP/their relatives)	-	97.04
International Hospital Limited (Owned/significantly influenced by KMP/their relatives)	131.62	-
Kanishka Healthcare Limited (Owned/significantly influenced by KMP/their relatives)	16.35	-
Sunrise Medicare Private Limited (Owned/significantly influenced by KMP/their relatives)	2.05	-
Escorts Heart Centre Limited (Owned/significantly influenced by KMP/their relatives)	10.11	-
Fortis Health Management (East) Limited (Subsidiary)	89.83	-
Fortis Hospital Management Limited (Owned/significantly influenced by KMP/their relatives)	142.43	-
Religare Wellness Limited (Fellow Subsidiary)	5.26	-
<b>Balance payable</b>		
SRL Limited (Fellow Subsidiary)	524.39	131.32
Fortis Healthcare Limited (Holding Company )	84,859.64	147.15
Kanishka Healthcare Limited (Owned/significantly influenced by KMP/their relatives)	851.36	1,892.42
International Hospital Limited (Owned/significantly influenced by KMP/their relatives)	3,799.27	469.20
Escorts Heart and Super Speciality Hospital Limited	5.12	-



(₹ in lacs)

Balance outstanding at the year end	As at March 31, 2014	As at March 31, 2013
(Owned/significantly influenced by KMP/their relatives)		
Escorts Heart Institute and Research Centre Limited (Fellow Subsidiary)	346.35	-
Escorts Heart and Super Speciality Institute Limited (Owned/significantly influenced by KMP/their relatives)	813.21	-
Escorts Hospital and Research Centre Limited (Owned/significantly influenced by KMP/their relatives)	512.21	-
Fortis C-Doc Healthcare Limited (Subsidiary )	3.59	-
Fortis Emergency Services Limited (Associate)	16.80	-
Fortis Hospotel Limited (Fellow Subsidiary)	2,791.89	-
Lalitha Healthcare Private Limited (Subsidiary )	0.19	-
Medsorce Healthcare Private Limited (Fellow Subsidiary)	12.11	-
Religare Technova IT Services Limited (Owned/significantly influenced by KMP/their relatives)	4.48	-
Religare Wellness Limited (Fellow Subsidiary)	108.29	-
Fortis Health Management (East) Limited (Subsidiary)	424.18	-
<b>Interest accrued and due/but not due on loans given</b>		
Fortis Health Management (North) Limited (Fellow Subsidiary) *	-	882.19
Fortis C-Doc Healthcare Limited (Subsidiary )	0.23	-
Fortis Emergency Services Limited (Associate)	193.27	-
Fortis Health Management (East) Limited (Subsidiary)	33.73	-
Fortis Health Management (South) Limited (Subsidiary )	203.82	-
<b>Corporate guarantee given for loans availed by</b>		
Fortis Asia Healthcare Pte Limited (Fellow Subsidiary)	-	217,140.00
Lalitha Healthcare Private Limited (Subsidiary )	1,700.00	1,700.00
Fortis Cauvery (Joint Venture)	500.00	500.00

\* During the current year, Hon'ble Delhi High Court of Delhi approved the scheme of amalgamation ('the scheme') of Fortis Health Management (North) Limited ('FHM(N)L') with the Company. The scheme became effective from September 1, 2013 with appointed date as April 1, 2012 (refer note 24).

## 6. Leases

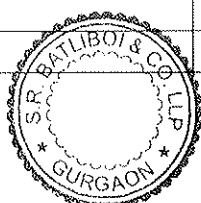
### a) Assets given on operating lease

The Company has sub-leased some portion of hospital premises and certain medical equipments. In all the cases, the agreements are further renewable at the option of the Company. There are no restrictions imposed by lease arrangements and the rent is not determined based on any contingency. All the leases are cancellable or non cancellable in nature. The total lease income received / receivable in respect of the above leases recognized in the statement of profit and loss for the year is ₹ 301.19 lacs (Previous year ₹ 45.55 lacs).

The total of future minimum lease income receivable under the non-cancellable operating leases is as under:

(₹ in lacs)

Particulars	As at March 31, 2014	As at March 31, 2013
Minimum lease payments :		
Not later than one year	252.59	-



**Fortis Hospitals Limited**
**Notes to financial statements for the year ended March 31, 2014**

Later than one year but not later than five years	579.37	-
Later than five years	-	-

Details of capital assets given on non-cancellable operating lease are disclosed as under:

(₹ in lacs)

Particulars	As at March 31, 2014			As at March 31, 2013		
	Gross Block	Accumulated Depreciation	Net Block	Gross Block	Accumulated Depreciation	Net Block
Medical Equipments	802.54	81.99	720.55	-	-	-
Computers	0.44	0.12	0.32	-	-	-
<b>Total</b>	<b>802.98</b>	<b>82.11</b>	<b>720.87</b>	<b>-</b>	<b>-</b>	<b>-</b>

**b) Assets taken on operating lease**

The Company has obtained certain hospital premises, office and certain medical equipments on operating lease. In all the cases, the agreements are further renewable at the option of the Company. There are no restrictions imposed by lease arrangements and the rent is not determined based on any contingency. All these leases are cancellable or non-cancellable in nature. The total lease payment in respect of such leases recognized in the statement of profit and loss for the year is ₹ 2,966.96 lacs (Previous year ₹ 1,139.64 lacs) and capitalized during the year ₹ 774.80 lacs (Previous year ₹ 160.04 lacs).

Future minimum lease payment under non cancellable operating leases are as follows:

(₹ in lacs)

Minimum lease payments :	March 31, 2014	March 31, 2013
	₹ in lacs	₹ in lacs
Not later than one year	1,542.27	421.23
Later than one year but not later than five years	3,209.87	1,348.60
Later than five years	1,177.44	-
<b>Total</b>	<b>5,929.58</b>	<b>1,769.83</b>

**c) Assets taken on finance lease**

The Company has finance leases for Cathlab equipment. The lease has terms of renewal and bargain purchase option. However, there is no escalation clause. Each renewal is at the option of lessee. Future minimum lease payments (MLP) under finance leases together with the present value of the net MLP are as follows:-

(₹ in lacs)

Particulars	March 31, 2014		March 31, 2013	
	Minimum Lease Payments	Present value of MLP	Minimum Lease Payments	Present value of MLP
Not later than one year	41.88	29.91	43.63	33.33
Later than one year but not later than five years	151.82	86.71	167.52	104.48
Later than five years	-	-	27.92	14.73
<b>Total minimum lease payments</b>	<b>193.70</b>	<b>116.62</b>	<b>239.07</b>	<b>152.54</b>
Less: amounts representing finance charges	77.08	-	86.53	-
<b>Present value of minimum lease payments</b>	<b>116.62</b>	<b>116.62</b>	<b>152.54</b>	<b>152.54</b>



**7. Investments**

Trade Investments includes 11,752,402 quoted Equity shares of Fortis Malar Hospitals Limited received as a gift from International Hospital Limited which has been recorded at a nominal value of ₹ 1,000/-.

**8. Capital and other commitments**

(₹ in lacs)

Particulars	As at March 31, 2014	As at March 31, 2013
Estimated amount of contracts remaining to be executed on capital account (net of capital advances of ₹ 221.60 lacs (Previous Year ₹ 69.74 lacs))	592.54	256.86
Deposit commitments with Hospitalia Eastern Private Limited to enter in to Hospital Service Agreement for upcoming clinical establishments.	5,616.50	4,000.00

For commitments related to lease arrangements, refer note 6.

**9. Contingent liabilities (not provided for) in respect of:**

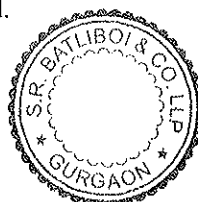
(₹ in lacs)

Description	As at March 31, 2014	As at March 31, 2013
Claims against the Company not acknowledged as debts (in respect of compensation demanded by the patients / their relatives for negligence). The cases are pending with various Consumer Disputes Redressal Commissions. Based on expert opinion obtained, the management believes that the Company has good chance of success in these cases	2,477.17	85.00
Corporate guarantee given to bank in respect of financial assistance availed by fellow subsidiary of the Company. None of the corporate guarantee have been evoked by the Banks during the year as the fellow subsidiary of the Company have complied with the loan covenants*	2,200.00	219,340.00
Interest on Customs duty/ Penalty for misdeclaration of imported goods, case for which is pending with Hon'ble Supreme Court of India. In view of the management, the eventual outcome of the above matter cannot presently be estimated. Based on expert opinion obtained, the management believes that the Company has good chance of success in this case.	515.50	-
Bank guarantees given to others	-	222.86
Others	-	83.00

\* Balance as at March 31, 2013, includes combined corporate guarantee given by the company with Fortis Healthcare Limited, Escorts Heart Institute and Research Centre Limited, Fortis Health Management (North) Limited and Fortis Healthcare International Pte Limited for the amount of ₹ 217,140.00 lacs to Fortis Asia Healthcare Pte Limited.

**10. Disclosures under Accounting Standard - 15 (Revised) on 'Employee Benefits':****Defined Benefit Plan**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The Gratuity scheme in case of one of the hospital of the Company is funded with an insurance company in the form of a qualifying insurance policy and in case of other locations it is unfunded. The Company also provides leave encashment, which is unfunded.



**Fortis Hospitals Limited****Notes to financial statements for the year ended March 31, 2014**

The following table summarizes the components of net employee benefit expenses recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the respective plans:

**Statement of profit and loss**

Net employee benefit expense (recognized in employee cost/capitalize under Capital work in progress)

Particulars	March 31, 2014		March 31, 2013	
	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs
	(Unfunded)	(Funded)	(Unfunded)	(Funded)
Current Service cost	233.60	19.69	97.86	-
Interest cost	54.93	14.06	28.06	-
Expected return of plan assets	-	(16.00)	-	-
Net actuarial loss/ (gain) recognized in the period	(137.48)	(36.23)	(38.58)	-
Net benefit expenses	151.05	(18.48)	87.34	-
Actual return on plan assets	-	-	-	-

**Balance sheet**

Particulars	March 31, 2014		March 31, 2013	
	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs
	(Unfunded)	(Funded)	(Unfunded)	(Funded)
Present value of defined benefit obligation	779.93	182.95	393.04	-
Fair value of plan assets	-	229.46	-	-
Surplus/(deficit) of funds	(779.93)	46.51	-	-
Net asset/ (liability)	(779.93)	46.51	(393.04)	-

Changes in present value of the defined benefit obligation are as follows:

Particulars	March 31, 2014		March 31, 2013	
	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs
	(Unfunded)	(Funded)	(Unfunded)	(Funded)
Opening defined benefit obligation	393.04	-	339.98	-
Liability assumed on account of amalgamation (refer note 24)	351.31	182.22	-	-
Current service cost	233.60	19.69	97.86	-
Interest cost on benefit obligation	54.93	14.06	28.06	-
Benefits paid	(115.47)	(12.82)	(34.28)	-
Actuarial (loss)/ gain recognized in the period	(137.48)	(20.20)	(38.58)	-
Closing defined benefit obligation	779.93	182.95	393.04	-





**Fortis Hospitals Limited**
**Notes to financial statements for the year ended March 31, 2014**
**Change in fair value of assets are as follows:**

Particulars	March 31, 2014		March 31, 2013	
	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs
	(Unfunded)	(Funded)	(Unfunded)	(Funded)
Opening fair value of plan assets	-	-	-	-
Assets assumed on account of amalgamation (refer note 24)	-	148.61	-	-
Expected return on plan assets	-	16.00	-	-
Contributions by employer	-	61.64	-	-
Benefits paid	-	(12.82)	-	-
Actuarial gains / (losses)	-	16.03	-	-
Closing fair value of plan assets	-	229.46	-	-

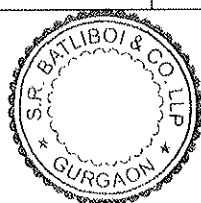
The Principal assumptions used in determining gratuity obligation for the Company's plan are shown below:

**In Case of Bangalore Corporate Office, Anandpur, FHKI, Mulund, Bennarghatta Road, Cunningham Road, Kalyan**

Particulars	March 31, 2014		March 31, 2013	
	(Unfunded)	(Funded)	(Unfunded)	(Funded)
Discount rate	9.25%	-	8.00%	-
Expected rate of return on plan assets	-	-	-	-
Expected rate of salary increase	10% for the first 3 years starting from 1 April 2012 & 8% thereafter	-	10% for the first 3 years starting from 1 April 2012 & 8% thereafter	-
Mortality table referred	Indian Assured Lives Mortality (2006-08) (modified) Ult.	-	Indian Assured Lives Mortality (2006-08) (modified) Ult.	-
Withdrawal / Employee Turnover Rate				
Up to 30 years	10%	-	10%	-
Up to 40 years	5%	-	5%	-
Up to 50 years	3%	-	3%	-
Above 50 years	2%	-	2%	-

**In Case of other locations**

Particulars	March 31, 2014		March 31, 2013	
	(Unfunded)	(Funded)	(Unfunded)	(Funded)
Discount rate	9.25%	9.25%	-	-
Expected rate of return on plan assets	-	9.25%	-	-
Expected rate of salary increase	3.75% to 7.50%	3.75%	-	-
Mortality table referred	Indian Assured Lives Mortality (2006-08) (modified) Ult.	Indian Assured Lives Mortality (2006-08) (modified) Ult.	-	-
Withdrawal / Employee Turnover Rate				
Up to 30 years	6% - 18%	6%	-	-



**Fortis Hospitals Limited**
**Notes to financial statements for the year ended March 31, 2014**

Up to 44 years	2% - 6%	2%	-	-
Above 44 years	1% - 2%	1%	-	-

Experience histories for the current and previous year are as follows:

(₹ In lacs)

Particulars	Year ending				
	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
Defined benefit obligation at the end of the period	(962.88)	(393.04)	(339.98)	(297.57)	(239.62)
Plan assets at the end of the period	229.46	-	-	-	-
Surplus/ (deficit)	(733.42)	(393.04)	(339.98)	(297.57)	(239.62)
Experience gain/ (loss) adjustment on plan liabilities	100.04	23.42	30.60	6.35	3.12
Experience gain/ (loss) adjustment on plan assets	8.18	-	-	-	-
Actuarial gain/ (loss) due to change on assumptions	107.90	15.16	15.66	-	-

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

Notes:

- The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- The Company's expected contribution to the fund in the next year is not presently ascertainable and hence, the contributions expected to be paid to the plan during the annual period beginning after the balance sheet date as required by Para 120 (o) of the Accounting Standard 15 (Revised) on Employee Benefits are not disclosed.

**11. Details of dues to Micro and Small Enterprises as per MSMED Act, 2006**

Particulars	March 31, 2014	March 31, 2013
	₹ in lacs	₹ in lacs
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
-Principal amount due to micro and small enterprises	9.33	42.22
-Interest due on above	-	0.37
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	0.37
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	0.37
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	0.37



The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-
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The above information regarding dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

## 12. Particulars of Un-hedged Foreign Currency Exposure:

Particulars	Amount
Import trade payables including capital creditors	USD 7.91 lacs (previous year USD Nil ) (₹ 474.94 lacs (previous year ₹ Nil))
Buyers Credit	EURO 4.30 lacs (previous year EURO Nil ) (₹ 355.52 lacs (previous year ₹ Nil)) USD 21.30 lacs (previous year USD Nil ) (₹ 1,278.98 lacs (previous year ₹ Nil))
Deferred payment liabilities	EURO 0.06 lacs (previous year EURO Nil ) (₹ 4.63 lacs (previous year ₹ Nil)) USD 11.54 lacs (previous year USD Nil ) (₹ 693.08 lacs (previous year ₹ Nil))
Letter of credit	EURO 0.10 lacs (previous year EURO Nil ) (₹ 8.27 lacs (previous year ₹ Nil))

## 13. Material consumed (including consumables)

Particulars	31-Mar-14	31-Mar-14	31-Mar-13	31-Mar-13
	% of total Consumption	₹ in lacs	% of total Consumption	₹ in lacs
Indigenous*	100%	37,490.78	100%	14,329.22
Imported	-	-	-	-
<b>Total</b>	<b>100%</b>	<b>37,490.78</b>	<b>100%</b>	<b>14,329.22</b>

\*Including consumables of ₹ 181.46 lacs (previous year ₹ Nil) debited to housekeeping expenses.

Note: Material consumption consists of items of various nature and specifications and includes medical consumables, pharmaceuticals etc. Hence, it is not practicable to furnish the item wise details.

## 14. Expenditure in Foreign Currency (on accrual basis)

Particulars	March 31, 2014	March 31, 2013
	₹ in lacs	₹ in lacs
Marketing and business promotion	511.54	114.27
Legal and professional fee	119.76	-
Miscellaneous expenses	15.50	16.83
<b>Total</b>	<b>646.80</b>	<b>131.10</b>



## 15. Value of imports calculated on CIF basis

Particulars	March 31, 2014	March 31, 2013
	₹ in lacs	₹ in lacs
Capital goods	3,711.21	300.98
<b>Total</b>	<b>3,711.21</b>	<b>300.98</b>

## 16. Earnings in Foreign Currency (on accrual basis)

Particulars	March 31, 2014	March 31, 2013
	₹ in lacs	₹ in lacs
Healthcare services	6,702.05	3,084.17
<b>Total</b>	<b>6,702.05</b>	<b>3,084.17</b>

## 17. Borrowings

## (i) Secured Loans

## Long term borrowings:

Particulars	Note	March 31, 2014	March 31, 2014	March 31, 2013	March 31, 2013
		₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs
		<b>Non-Current</b>	<b>Current</b>	<b>Non-Current</b>	<b>Current</b>
Term loan from banks	(a)	13,800.00	5,200.00	4,000.00	3,000.00
Hire purchase loan	(b)	4.52	7.98	12.56	17.50
Buyers' credit	(c)	956.89	-	-	-
Finance lease obligations	(d)	89.29	29.91	104.99	47.55
Deferred payment liabilities	(e)	876.66	346.16	-	-
<b>Total</b>		<b>15,727.36</b>	<b>5,584.05</b>	<b>4,117.55</b>	<b>3,065.05</b>

## Short term borrowings

Particulars	Note	March 31, 2014	March 31, 2013
		₹ in lacs	₹ in lacs
Buyer's credit	(f)	677.61	-
<b>Total</b>		<b>677.61</b>	<b>-</b>

- a) Term loan of ₹ 15,000.00 lacs have been taken in two Tranches from ICICI bank, ₹ 10,300.00 were received during the previous year and rest ₹ 4,700.00 were received in the current year on 2<sup>nd</sup> April 2013. The entire loan is secured by way of first pari-passu charge over moveable assets up to 1x cover and second pari-passu charge over current assets and exclusive charge over DSRA/Fixed Deposit and carried interest rate of base rate + 1.75%. Term Loan is repayable in 18 structured quarterly installments beginning at the end of seven quarters from first drawdown dated March 29, 2013.

Year	₹ in lacs
8% in the 1st year	1,200.00
12% in the 2nd year	1,800.00
24% in the 3rd year	3,600.00
24% in the 4th year	3,600.00
32% in the 5th year	4,800.00



**Fortis Hospitals Limited****Notes to financial statements for the year ended March 31, 2014**

Term loan of ₹ 7,000.00 lacs from HDFC bank is secured by way of first pari passu charge on the assets (moveable and immoveable) of certain owned hospitals and equitable mortgage of those owned by hospitals. These loans are further secured by Corporate Guarantee issued by Fortis Healthcare Limited and carries interest rate of 10.6%. Term Loan is repayable in annual installments of ₹ 3,000.00 lacs at the end of 12 months and ₹ 4,000.00 lacs at the end of 24 months from the date of disbursement.

- b) Hire purchase loan from bank is secured against hypothecation of the vehicles financed and carries interest rate from 8.35% to 10.94%. The loan is repayable in equated monthly installments over four years.
- c) Buyer's credit facility was taken in the current financial year and carries interest @ (3% - 3.5%) + 6 M LIBOR and is repayable within 3 years from the drawdown date.
- d) Finance lease obligation has been used for financing cathlab equipment and carries interest rate of 10.52%. It is repayable in equated monthly installments over seven years.
- e) Deferred credit payment facility was taken in the financial year 2011-2012 and carries interest @ 9% per annum for the first year and SBI Base rate plus (+) 50 BP for subsequent years. Deferred credit payment facility is secured by first charge by way of hypothecation of specific equipment of the company. The loan is repayable in two parts, one is in 20 structured quarterly installments commencing from April 2012 and other one is in 20 structured quarterly installments commencing from May 2013.
- f) The facility carries interest at 2.55% to 2.79% and is repayable on or before November 22, 2014 and is secured against each specific asset against which the facility has been availed.

**(ii) Unsecured Loans****Long term borrowings:**

Particulars	Note	March 31, 2014	March 31, 2014	March 31, 2013	March 31, 2013
		₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs
		Non-Current	Current	Non Current	Current
Deferred payment liabilities	(a)	346.54	521.12	-	-
<b>Total</b>		<b>346.54</b>	<b>521.12</b>	<b>-</b>	<b>-</b>

**Short term borrowings**

Particulars	Note	March 31, 2014	March 31, 2013
		₹ in lacs	₹ in lacs
Loan from a holding Company ('FHL')	(b)	70,686.17	147.15
<b>Total</b>		<b>70,686.17</b>	<b>147.15</b>

- a) The facility has been taken from Elekta Limited during current year and carries interest rate at 6M LIBOR + 275 BPS for the full payment period of the facility. The facility is repayable in two parts, 50% payment will be in 15 months from the date of shipment or 12 months from the date of installation, whichever is earlier and balance 50% payment will be in 24 months after the first payment.

Another facility is taken from Siemens financial services for Oracle licences. The Loan is repayable in 8 quarterly payments starting from August 2013 and will end on March 2015.



- b) The loan from holding company ('FHL') was taken during the financial year 2011-12 and carries interest at 13% to 13.75% p.a. and is repayable on March 31, 2015. The loan during the previous year was interest free and was repayable on March 31, 2014.

### 18. Capitalization of expenditure:

During the period, the Company has capitalized the following expenses to the cost of Fixed Assets/ Capital Work in Progress. Consequently, expenses disclosed under the respective notes are net of amounts capitalized by the company.

	As at March 31, 2014	As at March 31, 2013
	₹ in lacs	₹ in lacs
<b>Opening Balance (A)</b>	204.85	3.99
<b>Additions on account of amalgamation (B) (refer note 24)</b>	6,505.32	-
<b>Employee benefits (C)</b>		
Salaries, wages and bonus	315.08	0.20
<b>Total (C)</b>	<b>315.08</b>	<b>0.20</b>
<b>Other expenses (D)</b>		
Contractual manpower	13.92	2.91
Power, fuel and water	18.51	-
Housekeeping expenses including consumables	18.01	-
Repairs and maintenance	34.55	-
Rent	774.80	160.04
Legal and professional fee	6.94	37.71
Travel and conveyance	3.32	-
Communication expenses	0.38	-
Insurance	0.60	-
Miscellaneous expenses	20.90	-
<b>Total (D)</b>	<b>891.93</b>	<b>200.66</b>
<b>Total (E) (A+B+C+D)</b>	<b>7,917.18</b>	<b>204.85</b>
<b>Less: Capitalized during the year (F)</b>	<b>7,463.15</b>	-
<b>Balance carried forward to Capital Work in Progress (I) (E-F)</b>	<b>454.03</b>	<b>204.85</b>

### 19. Restructuring:

During the year ended March 31, 2012, holding Company, Fortis Healthcare Limited had initiated internal restructuring within the Group with a view to streamline and focus on 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.

The Company has entered into Hospital and Medical Services Agreement ('HSMA') with Escort Heart and Super Speciality Institute Limited ('EHSSIL') for hospital at Amritsar, Escorts Hospital and Research Centre Limited ('EHRCL') for hospital at Faridabad, International Hospital Limited ('IHL') for hospital at Noida, Escorts Heart and Super Speciality Hospital Limited ('EHSSHL') for hospital at Jaipur and Fortis Hospotel Limited ('FHTL') for hospital at Shalimar Bagh, which are effective from April 1, 2012.

In addition, the Company has entered into HSMA with FHTL for hospital at Gurgaon from August 1, 2012.



**Fortis Hospitals Limited****Notes to financial statements for the year ended March 31, 2014**

Further, the Company has entered into Hospital and Medical Services Agreement ('HSMA') with International Hospital Limited ('IHL') for hospitals at Kalyan and Anandpur, Kanishka Healthcare Limited ('KHL') for hospitals at Mulund and BG Road, which are effective from October 19, 2012.

IHL, KHL, EHSSIL, FHTL, EHSSHL and EHRCL are collectively referred to as Hospital Service Companies.

As per terms of the various Agreements entered into between Hospital Services Companies and the Company, the Hospital Services Companies have right to recover certain statutory dues levied on them from the Company. There is a possible present obligation on Hospital Services Companies to collect certain statutory dues from the Company and pay it to the relevant authorities. In view of uncertainty arising from interpretation of the regulations, management believes that value of such statutory dues cannot be measured reliably and therefore has not been considered in these financial statements.

20. During the previous year ended March 31, 2013, pursuant to business transfer agreements entered into with International Hospital Limited and Kanishka Healthcare Limited, the Company has transferred its Clinical establishment business, including out-patient consultation services, day care services and radiology and imaging diagnostic services on October 19, 2012. Details of assets and liabilities transferred are as under :

S. No.	Particulars	₹ in Lacs
1.	Net Fixed Assets (including capital work in progress of ₹ 471.73 lacs) ( a )	30,876.28
2.	Current Assets, Loans & Advances ( b )	276.94
3.	Current Liabilities / Provisions ( c )	(317.42)
4.	<b>Total Assets transferred (d=a+b+c)</b>	<b>30,835.80</b>
5.	Sale Consideration net of incidental expenses ( e )	31,948.11
6.	<b>Profit on sale of Undertaking (f=e-d) (included under exceptional items)</b>	<b>1,112.31</b>

21. During previous year ended March 31, 2013, the Company has sold its investment in Kanishka Healthcare Limited as per the Share Purchase Agreement entered with Escorts Heart and Super Speciality Institute Limited and Fortis Global Healthcare Infrastructure Pte. Limited. The details of the shares sold are as under :

S. No.	Particulars	No. of Shares	Price per Share (₹)	₹ in Lacs
1.	Escorts Heart and Super Speciality Institute Limited	10,242	4,46,771	45,758.28
2.	Fortis Global Healthcare Infrastructure Pte. Limited	854	4,46,771	3,815.42
3.	<b>Total</b>			<b>49,573.70</b>
4.	Less: Cost of Investment			6424.05
5.	<b>Profit on Sale (included under exceptional items)</b>			<b>43,149.65</b>

22. The Deputy Commissioner of Customs had issued an assessment order in earlier year raising a demand of ₹ 166.49 lacs (Previous year ₹ 166.49 lacs) in relation to import of medical equipment. The Company had filed an appeal with the Hon'ble Supreme Court of India. The court had ordered for the stay and during the year court has asked the Company to deposit a sum of ₹ 83.25 lacs (Previous year ₹ Nil) with the customs authority. The Company had deposited the amount with the customs authority and has also made a provision of ₹ 166.49 lacs (Previous year ₹ 166.49 lacs) in the books of accounts. The matter is still pending with the court.



## 23. Details of loans given to subsidiaries and fellow subsidiary:

Particulars	Maximum Amount Outstanding		Closing Balance	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs
<b>Subsidiaries/ fellow subsidiary</b>				
Fortis Health Management (South) Limited	2,379.41	1,682.20	2,367.70	1,682.20
Fortis Health Management (East) Limited	424.18	-	424.18	-
Fortis C-Doc Healthcare Limited	308.93	-	153.63	-
Fortis Health Management (North) Limited (refer note 24)	-	10,464.32	-	10,464.32

24. During the previous year, the Company and Fortis Health Management (North) Limited ('FHM(N)L') a fellow subsidiary of the Company have filed an application with Hon'ble Delhi High Court for merger of FHM(N)L in to the Company from an appointed date of April 1, 2012 (scheme), with an objective of reducing administrative cost, overhead, managerial and other expenditure and to bring the expertise, technology and facilities under one roof. It would also simplify corporate structure which would provide management more scope to focus on development of business of the companies. The scheme had already been approved by the shareholders of both the Companies.

Salient features of scheme of amalgamation of Fortis Health Management (North) Limited with Fortis Hospitals Limited, the Company:-

- The Scheme of amalgamation ('the scheme') under sections 391 and 394 of the Companies Act, 1956, between the Company and Fortis Health Management (North) Limited ('FHM(N)L'), was approved by the Hon'ble High court of New Delhi, vide its order dated July 22, 2013. The Company filed the Order of the Hon'ble High Court approving the scheme, with the Registrar of Companies on September 1, 2013; therefore the scheme became effective from September 1, 2013 with appointed date as April 1, 2012.
- FHM(N)L was engaged in the business of providing consultancy and development work for establishment, promotion, maintenance, management, operation and conduct of healthcare and related services and to purchase, lease or otherwise acquire, promote, own, establish, operate, run or administer hospitals, clinics, nursing homes, chemist shops and all other kinds of healthcare centre(s) etc. and as per the scheme of amalgamation, the Company shall continue to carry on the business.
- In terms of Accounting Standard 14 – Accounting for Amalgamations notified under the Companies (Accounting Standards) Rules, 2006, (as amended), the Scheme of Amalgamation was accounted for under the 'Pooling of Interest Method', wherein all the assets and liabilities of FHM(N)L became, after amalgamation, the assets and liabilities of the Company.
- Pursuant to the Scheme, the business of FHM(N)L had been transferred to the Company on a going concern basis. Accordingly, all the assets, liabilities, rights, licenses, benefits, obligations etc. of FHM(N)L, as on April 1, 2012, stand transferred to and vested in the Company.
- As per the Scheme, the Company had allotted to the members of FHM(N)L 1 (one) equity share of the face value of ₹ 10/- (ten) each of the Company, credited as fully paid up for every 1 (one) equity shares of ₹ 10/- each held by the members of FHM(N)L in FHM(N)L. In terms of the scheme, on transfer of various assets and liabilities of FHM(N)L to the Company as at the appointed date, following adjustments had been made in the books of account of the Company:





**Fortis Hospitals Limited**
**Notes to financial statements for the year ended March 31, 2014**

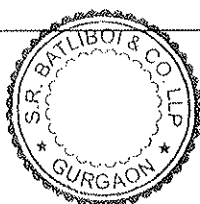
Particulars	₹ in lacs
<b>ASSETS</b>	
<b>Non-current assets</b>	
Tangible assets	13,126.23
Intangible assets	4,552.56
Capital work-in-progress	7,441.01
	<b>25,119.80</b>
Non-current investments	289.05
Long term loans and advances	1,340.88
	<b>26,749.73</b>
<b>Current assets</b>	
Current investments	516.45
Inventories	1,201.40
Trade receivables	10,669.42
Cash and bank balances	623.36
Short term loans and advances	110,020.61
Other current assets	2,868.72
	<b>125,899.96</b>
<b>Total Assets</b>	<b>152,649.69</b>
<b>LIABILITIES</b>	
<b>Non-current liabilities</b>	
Long-term borrowings	1,504.61
Deferred tax liabilities (Net)	127.69
Other long term liabilities	423.97
Long-term provisions	208.84
	<b>2,265.11</b>
<b>Current liabilities</b>	
Short-term borrowings	122,727.36
Trade payables	10,675.53
Other current liabilities	12,031.96
Short-term provisions	314.75
	<b>145,749.60</b>
<b>Total Liabilities</b>	<b>148,014.71</b>
<b>Total Net Assets</b>	<b>4,634.98</b>
Less: Profit brought forward from the amalgamating company as on the date of amalgamation i.e. April 1, 2012	<b>(4,629.98)</b>
<b>Total</b>	<b>5.00</b>
Share Capital issued by the Company to the members of FHM(N)L	<b>5.00</b>



**Fortis Hospitals Limited**
**Notes to financial statements for the year ended March 31, 2014**

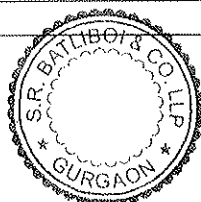
In view of the aforesaid amalgamation with effect from April 1, 2012, the figures for the current year are not comparable with the corresponding figures of the previous year. The following is the extract of the statement of profit and loss of FHM(N)L for the year ended March 31, 2013 :-

Particulars	₹ in lacs
<b>Income</b>	
<b>Sale of services</b>	
In patient	60,726.71
Out patient	11,139.60
Laboratory/ clinical services	69.81
Income from medical services	1,259.01
Management fees from hospitals	922.60
Income from satellite centers	0.97
Income from clinical research	48.88
Less: Trade discounts	(1,609.63)
<b>Total</b>	<b>72,557.95</b>
<b>Sale of goods</b>	
Pharmacy	448.67
<b>Total</b>	<b>448.67</b>
<b>Other operating revenues</b>	
Income from academic services	8.17
Income from rent	118.05
Equipment lease rental	69.52
Export benefits	275.47
Sponsorship income	27.93
Scrap sale	20.42
Sale of plasma	8.98
Unclaimed balances and excess provisions written back	104.62
Miscellaneous income	147.35
<b>Total</b>	<b>780.51</b>
<b>Revenue from operations</b>	<b>73,787.13</b>
<b>Other income</b>	
Profit on redemption of mutual funds	278.48
Interest on bank deposits	45.62
Interest on loans- others	11,966.12
Miscellaneous Income	15.74
<b>Total</b>	<b>12,305.96</b>
<b>Total revenue</b>	<b>86,093.09</b>
<b>Consumption of medical consumables and drugs</b>	
Inventory at the beginning of the year	1,141.65
Purchase of medical consumables and drugs	15,585.68
Inventories at the end of the year	1,435.47
<b>Consumption</b>	<b>15,291.86</b>
<b>Employee benefits expense</b>	
Salaries, wages and bonus	8,758.90
Gratuity expense	190.20
Leave encashment	174.91
Contribution to provident & other funds	552.17
Staff welfare expenses	375.90
Recruitment and training	44.84
<b>Total</b>	<b>10,096.92</b>
<b>Other expenses</b>	



**Fortis Hospitals Limited**
**Notes to financial statements for the year ended March 31, 2014**

Contractual manpower	1,346.64
Power, fuel and water	1,899.99
Housekeeping expenses including consumables	484.29
Patient food and beverages	925.54
Pathology laboratory expenses	2,838.16
Radiology expenses	118.46
Consultation fees to doctors	7,765.77
Professional charges to doctors	7,972.33
Hospital Service fee expense	22,214.12
Cost of medical services	598.92
Management support expenses	841.01
Repairs and maintenance	
- Building	105.44
- Plant and machinery	876.40
- Others	266.01
Rent	
- Hospital building	549.36
- Equipments	246.14
- Others	666.54
Donations	0.46
Legal and professional fee	461.95
Travel and conveyance	608.83
Rates and taxes	28.10
Printing and stationery	315.03
Communication expenses	181.50
Insurance	318.19
Marketing and business promotion	2,006.00
Wealth tax	3.36
Loss on sale of assets	87.70
Payment to auditor	
As auditor:	
-Audit fee	39.00
- Tax audit fee	5.00
-Out of pocket expenses	1.15
Foreign exchange fluctuation loss (net)	11.63
Bad debts and sundry balances written off	227.36
Provision for doubtful debts	840.02
Provision for doubtful advances	32.02
Provision for contingencies	3.26
Miscellaneous expenses	260.71
<b>Total</b>	<b>55,146.39</b>
<b>Finance Costs</b>	
Interest expense:	
-on purchase consideration payable	349.21
-on term loans	241.66
-on cash credit	67.75
-others	14,361.58
Bank charges	152.11
Finance charges	74.30
<b>Total</b>	<b>15,246.61</b>
<b>Depreciation and amortization expense</b>	
Depreciation of tangible assets	1,923.13
Amortization of intangible assets	380.12
<b>Total</b>	<b>2,303.25</b>
<b>Tax expenses</b>	<b>(127.69)</b>



**Fortis Hospitals Limited****Notes to financial statements for the year ended March 31, 2014**

<b>Total Expenditure</b>	<b>97,957.34</b>
<b>Loss for the year 2012-13</b>	<b>(11,864.25)</b>

25. During the year ended March 31, 2012, the Hospital Service Companies had entered into 'Operation and Management' agreements with registered trusts, which are into the business of Hospital Operations, in terms of which, they had rights to control, operate, run and manage the hospitals and ancillary facilities. During the year ended March 31, 2012, as a part of the restructuring, the Company has obtained rights and obligations of the above mentioned operation and management agreements from the Clinical Establishment Companies with effect from June 1, 2011.

**26. Subsequent Event**

During the current year, the Board of Directors of the Company at its meeting held on March 24, 2014 approved the sale of operations of Shalimar Bagh to Fortis Healthcare Limited ('FHL') on Slump Sale basis, as a going concern. The Company and FHL entered into a business transfer agreement ('BTA') on March 28, 2014 for sale of operations of Shalimar Bagh for a consideration of ₹ 4,000 lacs. The transaction is effective from April 1, 2014 and hence no effect has been given in the financial statement for the year ended March 31 2014.

**27. Previous year figures**

- a. The figures of previous year were audited by a firm of Chartered Accountants other than S.R. Batliboi & Co. LLP.
- b. Previous year figures have been regrouped / reclassified, where necessary, to conform to this year's classification.

As per our report of even date

**For S.R. Batliboi & Co. LLP**

Firm registration number: 301003E

Chartered Accountants



**per Pankaj Chadha**

Partner

Membership No. 91813



**For and on behalf of the Board of Directors of  
Fortis Hospitals Limited**



**Aditya Vij**  
Managing Director



**Ashish Bhatia**  
Director



**Meetu Gulati**  
Company Secretary

Place: Gurgaon

Date: May 28, 2014

Place: Gurgaon

Date: May 28, 2014