



FORTIS HEALTHCARE LIMITED

Registered Office: Escorts Heart Institute And Research Centre, Okhla Road, New Delhi-110025

NOTICE

NOTICE is hereby given that the **Seventeenth Annual General Meeting** of **Fortis Healthcare Limited** will be held on **Friday, 27th September, 2013 at 11.30 A.M. at PHD Chamber of Commerce and Industry, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi - 110016**, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2013, the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Statutory Auditors thereon.
2. To appoint a director in place of Lt. Gen. T. S. Shergill, who retires by rotation and who has not offered himself for re-appointment.
3. To appoint a director in place of Mr. Harpal Singh, who retires by rotation and is eligible for re-appointment.
4. To appoint a director in place of Dr. P. S. Joshi, who retires by rotation and is eligible for re-appointment.
5. To re-appoint Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration. M/s. S. R. Batliboi & Co. LLP, Chartered Accountants (Firm Registration No. 301003E), retiring Auditors, are eligible for re-appointment.

SPECIAL BUSINESS

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
“RESOLVED THAT the vacancy caused by the retirement by rotation of Lt. Gen. T. S. Shergill, and, who has not offered himself for re-appointment, be not filled by the Company for the time being.”

**By Order of the Board
For Fortis Healthcare Limited**

Date : August 08, 2013
Place : Gurgaon

**Rahul Ranjan
Company Secretary**

NOTES:

1. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, is enclosed herewith and forms part of this Notice.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
PROXIES, TO BE EFFECTIVE MUST BE DULY FILLED, STAMPED, SIGNED AND DEPOSITED, NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING AT THE REGISTERED OFFICE OF THE COMPANY.
3. Pursuant to Clause 49 of the Listing Agreement, the particulars of Directors seeking re-appointment at this Annual General Meeting are annexed.
4. The Register of Members and Share Transfer Books of the Company shall remain closed from Monday, 23rd day of September, 2013 to Friday, 27th day of September, 2013, both days inclusive.
5. Members are requested to bring their copy of Annual Report to the Meeting.
6. Members / Proxies should bring the Attendance Slip duly filled in for attending the Meeting. The members who hold shares in dematerialized form are requested to bring their Client Master List / Depository Participant Statement/ Delivery Instruction Slip, reflecting their Client Id. and DP Id. Nos. for easier identification of attendance at the meeting.
7. Members holding shares in physical form are requested to kindly notify the Company of any change in their addresses so as to enable the Company to address future communication to their correct addresses. Members holding shares in demat form are requested to notify their respective Depository Participant of any change in their addresses.
8. In case of joint holders attending the meeting, only such joint holder whose name appears at the top in the hierarchy of names shall be entitled to vote.
9. Corporate members are requested to send a duly certified copy of the Board Resolution / Power of Attorney authorizing their representative to attend and vote at the Annual General Meeting.

10. For security reasons, no article / baggage will be allowed at the venue of the meeting. The members/ attendees are strictly requested not to bring any article/baggage, etc. at the venue of the meeting.
11. Those members who have not yet got their Equity Shares dematerialized, are requested to contact any of the Depository Participants in their vicinity for getting their shares dematerialized.
12. Pursuant to Section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them. The Shareholders holding shares in physical form & desirous of making nominations may send their nomination request in prescribed form 2B of Companies (General Rules & Forms), 1956 which can be obtained from the Company's Registrar, LINK INTIME INDIA PRIVATE LIMITED at 44, COMMUNITY CENTRE, 2ND FLOOR, NARAINA INDUSTRIAL AREA, PHASE-1, NEAR PVR NARAINA, NEW DELHI - 110028 or download from the Company's website.
13. Members desiring any information on the Accounts are requested to write to the Company Secretary, giving at least 7 days notice prior to the date of Annual General Meeting to enable the Management to reply at the Meeting.
14. The Ministry of Corporate Affairs has undertaken a 'Green Initiative in the Corporate Governance' by allowing paperless compliances by Companies vide its Circular Nos.17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011, respectively. A recent amendment to the Listing Agreement with the Stock Exchange(s) permits Companies to send soft copies of the Annual Report to all those shareholders who have registered their email address for the said purpose. Members are requested to support this Green Initiative by registering/ updating their e-mail address for receiving electronic communications.
15. **Transfer of unclaimed/unpaid amounts to Investor Education and Protection Fund (IEPF):**
Pursuant to Sections 205A and 205C and other applicable provisions, if any, of the Companies Act, 1956, all unclaimed/ unpaid application money remaining unclaimed/unpaid for a period of seven years from the date they became due for payment, in relation to the Company, have to be transferred to the IEPF established by the Central Government. No claim shall lie against the IEPF or the Company for the amounts so transferred nor shall any payment be made in respect of such claim.

All concerned pertaining to the above refund of application money are requested to lodge their claims without any delay with the Registrar & Transfer Agent by **April 29, 2014**, to avoid any hardship.

EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the Companies Act, 1956)

Item No. 6

In accordance with the provisions of Section 256 of the Companies Act, 1956, read together with the Articles of Association of the Company, Lt. Gen. T. S. Shergill is liable to retire by rotation at the ensuing Annual General Meeting (AGM) of the Company.

In terms of Company's policy on Director's Retirement, Lt. Gen. Shergill, having attaining the age of superannuation, has not offered himself for re-appointment. Since no proposal has been received for filling up the vacancy, it is decided not to appoint any director in place of Lt. Gen. Shergill at the ensuing AGM.

The Board of Directors recommends the resolution as set out at Item No. 6 for approval of the members.

None of the Directors, except Lt. Gen. T. S. Shergill himself, is, in anyway, concerned or interested in the Resolution.

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

- (a) **Mr. Harpal Singh**, aged 63 years, has been a Director since August 12, 1999 and is a Non-Executive Director of the Company. Mr. Singh has had a diverse and wide ranging experience of over 33 years in the corporate sector and has held senior positions in various TATA group companies, Hindustan Motors Limited, Mahindra and Mahindra Limited and Shaw Wallace.

Further, Mr. Harpal Singh is and has been on the Board of many premier educational institutions, including Doon School and Shriram School, and an Advisory Board Member of the SRM University of Chennai. He is also a Member of the Punjab Education Board. Mr. Harpal Singh has also been a member of several Government Committees and is presently a member of the Punjab Chief Minister's Advisory Committee on Industrial Growth and Development of Relevant Infrastructure. Mr. Harpal Singh is National Chairman of the CII Committee on Public Health, a member of the CII National Committee on Healthcare and the National Committee on Primary and Secondary Education. Mr. Singh is a Member of the Resource Persons Group for Delhi on Healthcare, appointed by the Lt. Governor of Delhi. Mr. Singh is also a member of the India-UK Round Table and is an invitee speaker in many spheres. He has chaired the 2nd and 3rd India Health Summit in New Delhi and was invited to speak at the Royal Institute of Great Britain on Integrating Global Healthcare. As a member of the US – India Strategic Dialogue in December 2005, he presented a strategic opportunity position for collaboration between the U.S and Indian healthcare systems.

Mr. Singh holds a Bachelors' degree in Economics from St. Stephens College, University of Delhi and a Masters' degree in Public Affairs from California State University.

Companies (other than Fortis Healthcare Limited) in which Mr. Harpal Singh holds Directorship and Committee memberships

Directorships:

HealthFore Limited (Previously Religare Technologies Limited)

Religare Enterprises Limited

SRL Limited.

Fortis Clinical Research Limited.

Chairperson of Board Committees:

None

Member of Board Committee:

None

Shareholding in the Company:

Mr. Singh holds 58,003 Equity Shares of the Company. He does not hold any convertible instrument in the Company.

Mr. Harpal Singh is related to Mr. Malvinder Mohan Singh, Executive Chairman of the Company.

- (b) **Dr. Preetinder Singh Joshi**, aged 65 years, has been a director since July 28, 1998 and is an Independent Director of the Company. Dr. Joshi, an eminent Cardiologist, has over 32 years of experience in medical profession in India and abroad. Presently, he is working as Director of Maharaj Sawan Singh Charitable Hospital, Beas (Punjab).

Dr. Joshi holds an M.B.B.S. degree from Medical College, Amritsar and M.D. degree in Cardiology & General Medicine from Maulana Azad Medical College, Delhi. He is also a member of Royal College of Physicians, UK and American College of Cardiology.

Companies (other than Fortis Healthcare Limited) in which Dr. P. S. Joshi holds Directorship and Committee memberships

Directorships:

HealthFore Limited (Previously Religare Technologies Limited)

Oscar Investments Limited

Dion Global Solutions Limited

SRL Limited.

Fortis Hospital Management Limited

Escorts Heart Centre Limited

Escorts Heart Institute and Research Centre Limited

ANR Securities Limited

Chairperson of Board Committees:

None

Member of Board Committee:

Audit Committee

- Oscar Investments Limited

- Dion Global Solutions Limited

- SRL Limited

Shareholders' & Investors' Grievance Committee

- Oscar Investments Limited

- SRL Limited

Shareholding in the Company:

Dr. Joshi holds 33,000 Equity Shares of the Company. He does not hold any convertible instrument in the Company.

Dr. P. S. Joshi is not related to any Director.

**By Order of the Board
For Fortis Healthcare Limited**

Date : August 08, 2013
Place : Gurgaon

**Rahul Ranjan
Company Secretary**



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PROXY FORM

Seventeenth Annual General Meeting – September 27, 2013

Regd. Folio No. /DP & Client ID

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I/We _____ of _____ in the district of _____ being a member/members of the Company hereby appoint _____ of _____ in the district of _____ or failing him/her _____ of _____ in the district of _____ as my/our proxy to vote for me/us on my/our behalf at the Seventeenth ANNUAL GENERAL MEETING of the Company to be held at PHD Chamber of Commerce and Industry, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi - 110016, at 11.30 A.M. on Friday, September 27, 2013.

Signed day of 2013.

Affix Re.
1/- Revenue
Stamp

.....
Signature of the member

Note: The form, in order to be effective, should be dully stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the meeting.



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ATTENDANCE SLIP

Seventeenth Annual General Meeting – September 27, 2013

Regd. Folio No. /DP & Client ID

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Number of share held

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I Certify that I am a member/proxy for the member of the Company.

I hereby record my presence at the Seventeenth ANNUAL GENERAL MEETING of the Company at the PHD Chamber of Commerce and Industry, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi - 110016, at 11.30 A.M. on Friday, September 27, 2013.

.....
Name of the member/proxy
(in BLOCK letters)

.....
Signature of the member/proxy

Note: Please fill this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report 2012-13 for the meeting.

REDEFINING HEALTHCARE

Specialising in 'You'



For more than a decade, Fortis Healthcare Limited has been a leader in the integrated healthcare delivery space in India. Driven by the spirit of “saving and enriching lives,” we have ushered in far-reaching changes in the healthcare landscape. Our innate understanding of patient needs, world-class clinical talent, yen for the latest advances in medical and diagnostic technology and overarching emphasis on compassionate care at affordable prices make us the healthcare provider of choice for our patients. We continue to push the limits of medical excellence and challenge ourselves every moment so that we continue to be the healthcare company that specialises in you!

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Company Information

BOARD OF DIRECTORS

Executive Directors

Mr. Malvinder Mohan Singh, Executive Chairman

Mr. Shivinder Mohan Singh, Executive Vice Chairman

Mr. Balinder Singh Dhillon, Executive Director

Non-Executive Directors

Mr. Harpal Singh

Dr. Brian Tempest

Mr. Gurcharan Das

Ms. Joji Sekhon Gill

Mr. Pradeep Ratilal Raniga

Dr. Preetinder Singh Joshi

Mr. Sunil Godhwani

Lt. Gen. Tejinder Singh Shergill

GROUP CHIEF EXECUTIVE OFFICER

Mr. Vishal Bali

GROUP CHIEF FINANCIAL OFFICER

Mr. Sandeep Puri

COMPANY SECRETARY

Mr. Rahul Ranjan

AUDITORS

M/s S. R. Batliboi & Co. LLP, Chartered Accountants, New Delhi

REGISTERED OFFICE

Fortis Healthcare Ltd

Escorts Heart Institute and Research Centre

Okhla Road, New Delhi - 110025

Tel: +91-11-26825000/5001

Fax: +91-11-41628435

MESSAGE FROM THE EXECUTIVE CHAIRMAN & THE EXECUTIVE VICE CHAIRMAN

The demand for healthcare in India is robust. We have the advantage of scale and size, and enjoy a leadership position. Clearly, an India focus works to our advantage as we can ramp up our businesses faster and at far lesser incremental expense.

Malvinder Mohan Singh
Executive Chairman

Shivinder Mohan Singh
Executive Vice Chairman

Dear Shareholders,

It gives us great pleasure to once again communicate with you through our annual report for the year 2012-13. We set out over a decade ago on our mission to make quality healthcare accessible to all and would like to thank you for your unstinting support in our journey so far.

We are also happy to share with you that in the year gone by, your Company has witnessed a further maturing of processes and systems aligned towards delivering better healthcare to our patients across the Fortis Network.

Nature of the Healthcare Business

Healthcare is a ubiquitous need and a business that is directed at serving humanity. The demand for medical care and the consequent demand for better hospitals and healthcare facilities grow incessantly, unaffected by economic gyrations.



The setting up of medical infrastructure is capital intensive. This makes the gestation period for payback longer. Whilst a strong portfolio of businesses, such as ours, lends stability, it also brings complexity with various units at different stages of their life cycle and maturity curve. Challenges of predictability in the way economic circumstances pan out during this period require astute and swift judgement for course corrections. The ability to continuously match funding needs with the capital mix becomes vital in navigating difficult economic cycles for long term success.

Reassessing Priorities- An India Focus

In the last few years, we expanded rapidly beyond India, in Asia, to develop an integrated healthcare-delivery platform in response to the opportunities in the region. Debt for expansion in a growing market is the norm and we incorporated it to our advantage.

In the way the global economic environment has panned out since, and with continuing turbulence, predictability, certainty and consistency are virtues, whilst leveraged funding is perceived as an added risk. This has led us to reassess our own priorities and make necessary adjustments to make India our top priority.

With the prevailing economic circumstances, we also need to factor in and balance the current phase of evolution for Fortis, with imperatives that optimise our growth in the short versus the medium and the long term.

Given these growth realities we have divested our business in Australia and Vietnam, to focus on the Indian healthcare market. We continue to evaluate our portfolio of overseas businesses to ensure the right strategic fit.



There are many reasons that favour this decision. In spite of a recalibrated growth in India's GDP of 5%, the demand supply gap for healthcare delivery services in the country remains considerable. The Indian healthcare market is expected to reach US\$ 119.6 Bn by 2015, reflecting a CAGR of 15.0%. Currently, India accounts for nearly 6% of the world hospital beds and shares 20% of the world's disease burden. This will grow, as India surpasses China by 2030 to become the most populous country in the world. The ageing profile of its citizens, higher purchasing power, growing affluence and a higher incidence of chronic life style and non-communicable diseases, will continue to fuel demand for healthcare services. (Source: Frost & Sullivan report "Independent Report on the Healthcare Industry in the Asia Pacific regions, 17 September 2012")

In India, we have the advantage of scale and size and a leadership position and we need to build on that. Therefore, we believe that an India focus works to our advantage as we can ramp up our businesses faster at far lesser incremental expense by leveraging our existing infrastructure in the country.

To strengthen the sustainability of our model, we have also taken several strategic measures to reduce our debt burden and strengthen our balance sheet.

We successfully listed the Religare Health Trust (RHT) on the Singapore stock exchange, as its main sponsor, and raised gross proceeds of approximately ₹ 2,200 Crore. With this vehicle, we have created a perpetual source of funding for the business and made the move to an asset light model. In addition, we are seeking operate & manage projects and leasing options for growth. This will put us in a stronger position to capitalise on future opportunities in an asset light manner.

Our diagnostics business in India, SRL, witnessed strategic investments from high quality global investors such as the International Finance Corporation (IFC) and the NYLIM Jacob Ballas India Fund.

Fortis has also received further investments at the beginning of FY14, via the subscription of equity and equity linked instruments, from institutional investors, to part fund growth and to further strengthen the balance sheet. IFC, which has a long-term horizon and commitment to



healthcare, has cumulatively invested more than US\$ 100 Mn in the Company.

These measures will together bring down overall debt, enhance profitability and create room for further growth.

The priority for the business going forward is to work towards achieving a significantly higher level of operating leverage that will have a substantial positive impact on our performance and results. This also means that this rationale will drive our future resource allocation programme and help to stagger our investment and capital expenditure over a period of time. Today, we are well on our path to achieving this desired objective.

This year, 2013-14, will witness the launch of three new green-field hospitals in India: The Fortis Memorial Research Institute, Gurgaon (launched May 2013) and hospitals in Chennai and Ludhiana, to be launched later this year. We will also see further consolidation and strengthening of our business and balance-sheet.

Thrust Areas and Improvements

Fortis, with its large network of 62 healthcare facilities spread across India, has created a highly respected brand, well recognised for comprehensive services and quality. It enjoys a leadership position with a very strong platform of operational capability, deep experience and knowledge of the Indian market-place.

Our greatest strength lies in our people – our pool of doctors, paramedics, nurses and managerial talent – and our processes. This talent pool and knowledge of processes can be easily scaled up and replicated giving us the unique ability to ensure quality growth whilst keeping costs low. Additionally, capacity enhancements at our existing hospitals can be achieved with marginal investment only, enabling us to grow faster. This is good reason why we see bed capacity ramp up from 4,000 operational beds to about 10,000 operational beds before the end of this decade.

Continuous improvement in

the way we work to deliver value to our patients is central to how we think and act. The organisation has invested considerable time in the improvement and standardisation of processes ensuring a consistently high level of service across our hospitals. Other high impact organisation building programmes included the creation of shared services for the Group to drive both efficiencies and economies of scale in the supply-chain and important back office operations.

Launch of Our Flagship: The Fortis Memorial Research Institute (FMRI)

In the last year, of the five hospitals we set up, our most significant contribution has been the Fortis Memorial Research Institute (FMRI) which was dedicated to the nation in May 2013. We believe this will become the landmark facility for international research and medical talent. Drawing patients from India and abroad for its competence in the treatment of disease complexity, it will be recognised among the top few hospitals in the world.

FMRI represents the culmination of several years of conceptualisation of what a futuristic institute of medical excellence ought to be. It builds on a strong platform of medical programmes that encompass all super-specialities and multi-specialities, providing comprehensive medical services, under one roof. Clinical delivery led actively by the human values of empathy, care, service and a philosophy of ‘healing’ are at its core.

Building a Strong Base for Indian Healthcare

As frontrunners in healthcare, we have also been instrumental in kick-starting a pan-India industry forum, ‘Nathealth’, that actively supports sectoral players in coming together on