

**Fortis Healthcare Limited**

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South City 1, Sector – 41, Gurgaon,
Haryana – 122 001 (India)

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FHL/SEC/2020-21

June 29, 2020

**The National Stock Exchange of India Ltd.
Corporate Communications Department
“Exchange Plaza”, 5th Floor, Bandra-Kurla
Complex, Bandra (East), Mumbai – 400051
Scrip Symbol: FORTIS**

**BSE Limited
Corporate Services Department
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400 001
Scrip Code:532843**

Sub: Regulation 24A - Annual Secretarial Compliance Report for the Financial Year 2019-20.

Dear Sir(s),

In compliance with Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular CIR/CFD/CMD1/27/2019 dated February 8, 2019, as amended, please find enclosed the Annual Secretarial Compliance Report of the Company for the Financial Year 2019-20.

This is for your information and records please.

Thanking you,
Yours faithfully,
For **Fortis Healthcare Limited**

**Sumit Goel
Company Secretary
M. No. – F6661**

SANJAY GROVER & ASSOCIATES

COMPANY SECRETARIES

B-88, 1ST Floor, Defence Colony, New Delhi - 110 024
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Secretarial Compliance Report of Fortis Healthcare Limited for the year ended 31 March, 2020.

I, Kapil Dev Taneja, Partner of Sanjay Grover & Associates have examined:

- (a) all the documents and records made available to me and explanation provided by Fortis Healthcare Limited ("the listed entity")
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended **31 March, 2020** ("Review Period") in respect of compliance with the provisions of :

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) *Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (f) *Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (g) *Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

*No event took place under these regulations during the review period.




And based on the above examination, I hereby report that, during the Review Period:

- a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-


Sr.No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.	Regulation 24(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR).	The Company did not appoint Independent Director on the Board of Directors of its two unlisted material subsidiary i.e. Fortis Hospotels Limited and International Hospital Limited.	At least one independent director on the board of directors of the listed entity shall be a director on the board of directors of an unlisted material subsidiary, whether incorporated in India or not [Regulation 24(1) of LODR]


- b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my examination of those records.

- c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarmen t, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1.	BSE Limited	Composition of Audit Committee was not in accordance with Regulation 18 of SEBI LODR	Fine of Rs. 68,440/- was imposed on the Company	The Constitution of Audit Committee was not proper as required under Regulation 18 of SEBI LODR during the quarter ended 31 st March, 2019.
2.	National Stock Exchange of India Limited		Fine of Rs. 58,000/- was imposed on the Company	Consequently, BSE Limited and National Stock Exchange of India Limited imposed the said fineduring the first quarter of Financial Year 2019-20.

d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 31 st March, 2019.	*Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1.	Not applicable	The audited financial statements/ results for the year ended on March 31, 2018 were submitted to the stock exchange(s) with a delay of 37 days against the specified period as required under Regulation 33(3) (d) of SEBI LODR. In respect thereto, penalty for non-compliance as imposed by the Stock Exchange(s) was paid by the Company.	The Audited Financial statements were approved by the board on July 6, 2018.	The Company has also paid the amount of penalty imposed by the Stock Exchange(s) for non-compliance and accordingly, the non-compliance has been made good.
2.	Not applicable	Statement on Impact of Audit Qualifications for audit report with modified opinion was submitted with the stock exchange(s) after a delay of almost 1 month against the specified period as required under Regulation 33(3)(d) of SEBI LODR. Other Compliances including newspaper publication(s) were done accordingly.	The Financial results for the Quarter and Financial Year ended March 31, 2018, were duly submitted to stock exchanges on July 7, 2018, however, the statement on Impact of Audit Qualifications for audit report with modified opinion was erroneously submitted on August 9, 2018 instead.	The Company has also paid the amount of penalty imposed by the Stock Exchange(s) for non-compliance and accordingly, the non-compliance has been made good.
3.	Not applicable 	Prior intimation to the stock exchange/s was not given for the board meeting held on July 07, 2018 for the approval of annual financial statements/ results for the year ended on March 31, 2018	As per the Company, the Board Meeting was unplanned and held at a shorter notice. However, the Stock exchanges were regularly informed on the developments.	The Company did not repeat the non-compliance and prior intimations of Board Meetings held in financial year 2019-20 were given to the stock exchanges.

4.	Not applicable	Composition of Audit Committee was modified on November 13, 2018 which was not in accordance with Regulation 18 of SEBI LODR. The same was thereafter rectified on January 30, 2019. In respect thereto, the penal provisions as levied by the Stock Exchange(s) have been duly complied with.	The composition of Audit Committee was corrected w.e.f. January 30, 2019	The Audit Committee was reconstituted in due compliance of Regulation 18 of SEBI LODR.
5.	Not applicable	At least one independent director on the board of directors of the listed entity shall be a director on the board of directors of an unlisted material subsidiary, whether incorporated in India or not [Regulation 24(1) of LODR].	As per Management of the Company, the Board is in process of identifying the candidate for the said position(s).	The Company is required to appoint Independent Directors on the Board of Directors of two Material Subsidiaries i.e. Fortis Hospotels Limited and International Hospital Limited in compliance of Regulation 24(1) of LODR
6.	Not applicable	The proceedings of Extraordinary General Meeting of the Company held on August 13, 2018 were submitted to the stock exchanges after the delay of 2 days which is not in compliance with Regulation 30 of SEBI LODR.	The outcome of the Extra Ordinary General Meeting was disclosed on August 14, 2018, however as per Management of the Company, intimation regarding proceedings of the meeting was delayed by two days due to inadvertentomission.	The Company did the filing with delay and the non-compliance has been made good.
7.	Not applicable 	Credit rating of the Company was revised by ICRA Limited on September 06, 2018 and the same was intimated to the stock exchanges on September 20, 2018 which is not in compliance with Regulation 30 of	As per Management of the Company, this was occurred due to inadvertentomission.	The Company did the filing with delay and the non-compliance has been made good.

		SEBILODR.		
8.	Not applicable	The Company disclosed to the stock exchanges about Share subscription Agreement entered into with IHH Healthcare Berhad on July 13, 2018, however, the same was not in the format as prescribed under Para No. 5 of the SEBI Circular CIR/CFD/CMD/4/2015 dated September 09, 2015.	As per the management, the Company has throughout the bidding process kept the stock exchanges and public at large updated on the developments. Since all the disclosures as stated in Regulation 30 w.r.t. 'Entering of an agreement' were already available in public domain, based on the legal advice, a considered view was taken that there is no requirement of making separate disclosure in this regard.	The Disclosure for share Purchase Agreement was not in the format as prescribed under Para No. 5 of the SEBI Circular dated September 09, 2015, however, no query has been received by the Stock Exchanges
9.	Not applicable	The evaluation of Independent Directors shall be done by the entire board of Directors which shall include – (a) performance of the directors; and (b) fulfillment of the independence criteria as specified in these regulations and their independence from the Management [Regulation 17(10) of SEBI LODR Regulations]	The Board Evaluation process was duly completed before signing of the Board Report for FY 2018-19.	The Company has taken the corrective measures.

*The management of the Company informed us that the action taken by the Company has been disclosed in the Director's Report for the year ended 31st March, 2019 and accordingly, the same has been extracted in the "Actions taken by the listed entity, if any" of this Report.



In continuation of above, we further report that:-

To the best of our knowledge, we have no information of other orders passed by SEBI or Stock Exchanges against the erstwhile promoters of the Company, except for the order detailed herein below:

SEBI vide its order no. WTM/GM/IVD/34/2019-20 dated September 11, 2019 read with interim ex-parte order no. WTM/GM/IVD/68/2018-19 dated October 17, 2018 read with order no. WTM/GM/IVD/80/2018-19 dated December 21, 2018, inter alia, confirm the directions issued vide the Interim Order, subject to modifications as specified hereunder:-

- RHC Holding Private Limited, Malav Holdings Private Limited, Malvinder Mohan Singh, Shivinder Mohan Singh (erstwhile promoters of the Company till June 03, 2019), pending completion of the investigation and till further orders, not dispose of or alienate any of their assets or divert any funds, except for meeting expenses of day-to-day business operations, without the prior permission of SEBI.

I, further, report that the Company appointed statutory auditor in its Annual General Meeting held on September 26, 2019 and there was no event of resignation of statutory auditor of the Company during the review period and the Company has modified the terms of appointment of its existing auditor. In this regard, I report that the Company has complied with Para 6(A) and 6(B) of Circular No. CIR/CFD/CMD1/114/2019 dated October 18, 2019.

For Sanjay Grover & Associates
Company Secretaries
Firm Registration No.: P2001DE052900



New Delhi
June 19, 2020

Kapil Dev Taneja
Partner
CP No.: 22944, FCS No.: F4019
UDIN: F004019B000357416