

OTHERS Regulatory investigations (prior to the acquisition of Fortis Healthcare Limited ("Fortis") by IHH Healthcare Berhad Group) - Securities and Exchange Board of India ("SEBI") investigation

IHH HEALTHCARE BERHAD

Type	Announcement
Subject	OTHERS
Description	Regulatory investigations (prior to the acquisition of Fortis Healthcare Limited ("Fortis") by IHH Healthcare Berhad Group) - Securities and Exchange Board of India ("SEBI") investigation

Please refer attachment below.

Attachments

[IHH Announcement_SEBI Investigation.pdf](#)
49.2 kB

Announcement Info

Company Name	IHH HEALTHCARE BERHAD
Stock Name	IHH
Date Announced	25 Apr 2022
Category	General Announcement for PLC
Reference Number	GA1-25042022-00046



Registration No. 201001018208 (901914-V)
(Incorporated in Malaysia)

IHH HEALTHCARE BERHAD (“IHH” OR THE “COMPANY”)

Type : General Announcement

Subject : Others

Description : Regulatory investigations (prior to the acquisition of Fortis Healthcare Limited (“**Fortis**”) by IHH Group) – Securities and Exchange Board of India (“**SEBI**”) investigation

We refer to the announcements made by IHH on 26 March 2020 in relation to the qualified opinion on the Audited Financial Statements for the financial year ended 31 December 2019 and on 23 February 2022 in relation to the Interim Financial Report for the financial year ended 31 December 2021, particularly in respect of the investigation by SEBI.

The Board of Directors of IHH wishes to announce that SEBI has now issued the final order no. WTM/AB/IVD/ID2/16050/2022-23 (“**Final Order**”) dated 19 April 2022 in the aforesaid matter, which imposes various directives and penalties effective immediately on all nine Noticees to the Final Order, namely Fortis, Fortis Hospitals Limited (“**FHsL**”) (a direct wholly-owned subsidiary Fortis) and the erstwhile promoter group, which includes RHC Holding Private Limited, Mr. Malvinder Mohan Singh, Mr. Shivinder Mohan Singh, Malav Holdings Private Limited and Shivi Holdings Private Limited (collectively the “**Erstwhile Promoter Group Noticees**”).

The Final Order directed Fortis and FHsL, *inter alia*, on the following:

- 1) To pursue the measures, which have already been put into motion, to recover the amount of Rs. 397.12 Crores (approximately RM225 million¹) along with the interest from the following persons: each of the Erstwhile Promoter Group Noticees, Best Healthcare Pvt. Ltd., Fern Healthcare Pvt. Ltd. and Modland Wears Pvt. Ltd.;
- 2) The Audit Committee of Fortis has been directed to regularly monitor the progress of such measures being taken by Fortis and report the same to board of directors of Fortis at regular intervals; and
- 3) A penalty of Rs. 50 lakh (approximately RM284,000¹) and Rs. 1 Crore (approximately RM567,000¹) has been imposed on FHsL and Fortis respectively.

The Fortis Management and Board are evaluating the Final Order in detail, in consultation with its legal advisors.

As per the directions from SEBI, Fortis Group has taken steps to recover dues from the Erstwhile Promoter Group Noticees and various other entities. These include initiating civil actions against these entities demanding recovery of the outstanding amounts together with interest and to secure repayment of the outstanding amounts on the assets of these entities.

The Final Order shall have no material effect on the earnings, net assets or gearing of IHH for the financial year ending 31 December 2022.

Further announcements will be made if there is material development.

This announcement is dated 25 April 2022.

¹ Based on Bank Negara Malaysia's FX Rates on 25 April 2022 at 12.00 p.m.