



July 8, 2019

Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 021.

National Stock Exchange of India Ltd.
Exchange Plaza
Bandra -Kurla Complex
Bandra (E),
Mumbai 400 051

Scrip Code : 539981

Name of Scrip : MAXINDIA

Dear Sir/Madam,

Subject: 4th Annual General Meeting and Book Closure

Please find attached herewith the Annual Report of the Company for the financial year 2018-19 along with the Notice of 4th Annual General Meeting as required under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to inform you that the 4th Annual General Meeting of the Company has been scheduled to be held on Friday, August 2, 2019 at 11 .00 AM, at the Registered Office of the Company at 419, Bhai Mohan Singh Nagar, Railmajra, Tehsil Balachaur, District Nawanshahr, Punjab-144 533 and the Register of Members of the Company will be closed from Saturday, July 27, 2019 till Friday, August 2, 2019 (both days inclusive) for the aforesaid purpose. The Company is providing to its members the facility to exercise their right to vote on resolutions proposed to be passed at the AGM by electronic mode. A person, whose name is recorded in the Register of Members or in the Register of beneficial owners maintained by the depositories as on the cut-off date viz., Friday, July 26, 2019, only shall be entitled to avail electronic voting facility.

The remote e-voting period commences from Monday, July 29, 2019 at 9.00 am and ends on Thursday August 1, 2019 at 5.00 pm.

You are requested to take note of the above.

Thanking you,

Yours faithfully,

For **Max India Limited**

Pankaj Chawla
Company Secretary and Compliance Officer

Encl: a/a

MAX INDIA LIMITED

CIN: L85100PB2015PLC039155

Max House, 1, Dr. Jha Marg, Okhla, New Delhi - 110 020 | P +91 11 42598000 | F +91 11 26324126 | www.maxindia.com
Regd. Office: 419, Bhai Mohan Singh Nagar, Village Railmajra, Tehsil Balachaur, Dist. Nawanshahr, Punjab - 144 533, India

Annual Report
2018-19



Rebalancing for Value Creation





Annual Report

2019

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Our Enterprise



Max Financial Services (MFS), a multi-business corporate, is part of the US \$3.2 billion Max Group. Focused on Life Insurance, it owns and actively manages a 71.8% stake in Max Life Insurance, India's largest non-bank, private life insurance company. MFS earned a revenue of ₹ 17,538 crore in FY 2019. The company is listed on NSE and BSE. Besides a 28.3% holding by Analjit Singh sponsor family, some other shareholders include KKR, New York Life, Baron, Vanguard, Aberdeen, First Voyager, Jupiter and the Asset Management Companies of Reliance, HDFC, ICICI Prudential, Motilal Oswal, Aditya Birla Sun Life, Mirae, and Kotak.



Launched in 2000, Max Life is a joint venture with Mitsui Sumitomo Insurance, a Japan-headquartered global insurance leader. Max Life is India's largest non-bank private life insurer and the fourth largest private life insurance company, with revenues of ₹ 14,575 crore, a claims paid ratio of 98.74% and a customer base of 4 million with more than 322 offices across India.



Max India Limited, a multi-business corporate, is part of the US \$3.2 billion Max Group. Focused on Healthcare and Allied business, it owns and actively manages a 49.7% stake in Max Healthcare, a 51% stake in Max Bupa Health Insurance and a 100% stake in Antara Senior Living. Max India earned revenue of ₹ 3,688 crore in FY 2019, having a customer base of 7 million. The Company is listed on NSE and BSE. Besides a 40.9% holding by Analjit Singh sponsor family, some other shareholders include New York Life, Briarwood Capital, IFC, Nomura, Doric Capital, HDFC Standard Life and Asset Management Companies of L&T and UTI Mutual Fund.



Launched in 2000, Max Healthcare is India's leading provider of standardised, seamless and world-class healthcare services, focussed on tertiary and quaternary care. Max Healthcare has revenues of ₹ 2,921 crore. from over 2,500 beds across 14 hospitals. With a base of more than 3,000 doctors offering services in 30 specialities across a network of 14 hospitals, Max Healthcare remains completely committed to the highest standards of medical and service excellence, patient care, and scientific and medical education.



Launched in 2008, Max Bupa, a subsidiary of Max India, is a 51:49 JV with Bupa Finance Plc., UK. It is one of India's leading standalone health insurance companies with Gross Written Premium (GWP) of ₹ 947 crore. It has a customer base of nearly 2.5 million people, offering individual and family-oriented health insurance policies across all age groups through its 31,000+ agents and 12 bank relationships.



Launched in 2013, Antara Senior Living is a 100% subsidiary of Max India. It is pioneering the concept of 'Age in Place' for people over 55 years of age, by developing Senior Living communities in India. The first Antara community was launched in April 2017 near Dehradun, Uttarakhand with 190 apartments spread over 14 acres of land.



Incorporated in 2015, Max Ventures & Industries Limited (MaxVIL), is a part of US \$3.2 billion Max Group. The Company owns and operates real estate business through its 100% subsidiary, Max Estates, and a packaging films business through Max Speciality Films, a 51:49 joint venture with Toppan, Japan. MaxVIL also has an investment subsidiary, Max I., MaxVIL is listed on NSE and BSE. Besides a 47.1% holding by Analjit Singh sponsor family, some other shareholders include New York Life and First State Investments



Established in 2016, Max Estates Limited is the real estate arm of the Max Group and a subsidiary of MaxVIL. Its vision is to bring the Group's values of Excellence, Credibility and Sevabhav to the Indian real estate sector. Its marquee projects include a one-of-its-kind commercial office space Max Towers, on the edge of South Delhi that opened its doors in 2019 and 222 Rajpur, a luxury residential villa community in Rajpur, Dehradun. It aims to create, build and operate Grade A+ office spaces in Delhi-NCR.



Launched in 1988, Max Speciality Films, a subsidiary of MaxVIL., is an innovation leader in the Speciality Packaging Films business. It has a strategic partnership with Japan's Toppan Printing Co. Ltd., a leading global printing company. Max Speciality Films is a top supplier of speciality packaging, labels, coating and thermal lamination films for the India and overseas markets.



Max I. Limited is MaxVIL's wholly-owned subsidiary, which facilitates Intellectual & Financial Capital to promising and proven early-stage organisations across identified sunrise sectors. Its investment model is a hybrid of accelerators and venture funding, providing both mentoring and growth capital for the organisations it invests in.



Launched in 2008, Max India Foundation (MIF) represents the Max Group's social responsibility efforts. The Foundation's work has been focussed on healthcare for the underprivileged and has benefitted more than 34 lakh people in over 800 locations since its inception.

Measures of Success

Max Healthcare
Network Gross
Revenues

₹ 2,921 CR

↑ 5%

Max Healthcare's
EBITDA

₹ 242 CR

↑ 9%

Max Bupa
Gross Written
Premium

₹ 947 CR

↑ 26%

Max Bupa
New Business
Premium

₹ 355 CR

↑ 38%

Max Healthcare's
New Business
Lines

Max@ Home

 **58%**

Max Labs

 **86%**

**Max India
Foundation**
benefitted over

34 LAKH

lives across India

**Antara Senior
Living** pursuing
an Operating &
Maintenance-led
asset-light model
in Delhi NCR

Investor base
comprising
marquee global
financial institutions
such as **New York
Life, Briarwood
Capital, IFC, Nomura,
Doric Capital, HDFC
Standard Life AMC's
of and L&T & UTI
Mutual Fund**

All figures as on March 31, 2019

Our Path



Our Vision

To be the most admired company for protecting and enhancing the financial future of its customers.



Our Mission

- Be the most preferred category choice for customers, policy holders, shareholders and employees
- Do what is right for our customers, and treat them fairly
- Lead the market in quality and reputation
- Be the go-to standard for partnerships and alliances with all distributors and partners
- Maintain cutting-edge standards of governance

Our Values



Sevabhav

We encourage a culture of service and helpfulness so that our actions positively impact society. Our commitment to Seva defines and differentiates us.



Excellence

We gather the experts and the expertise to deliver the best solutions for life's many moments of truth. We never settle for good enough.



Credibility

We give you our word. And we stand by it. No matter what. A 'No' uttered with the deepest conviction is better than a 'Yes' merely uttered to please, or worse, to avoid trouble. Our words are matched by our actions and behaviour.

Board Of Directors



Dr. S.S. Baijal

Mentor

Dr. S.S. Baijal served ICI (India) Limited for over 35 years and was the Chairman of ICI companies in India from 1983 to 1987. He then played an active role on the erstwhile Max India Board from 1988 to 2009, where he added immense value to the Company. He was the Chairman of the erstwhile Max India during the years 1998-2000. On his retirement from the Board in 2009, he was elevated to the position of 'Chairman Emeritus' in 2009 and to 'Mentor' of new Max India in January 2016 after the demerger of the erstwhile Max India.



Analjit Singh

Chairman

Mr. Analjit Singh is the Founder & Chairman of the Max Group, a US\$ 3 billion multi-business enterprise, with interests in life insurance (Max Life), healthcare (Max Healthcare), health insurance (Max Bupa), real estate (Max Estates), senior living (Antara) and speciality packaging (Max Speciality Films). Max Group is renowned for service excellence and has successful joint ventures with some of the pre-eminent firms, including Mitsui Sumitomo and Toppan from Japan, Life Healthcare from South Africa and Bupa Plc. from the United Kingdom. Earlier partners include DSM, Netherlands; New York Life Insurance Company; Hutchison Whampoa; Motorola; Lockheed Martin and others.

Amongst privately held family businesses, Mr. Analjit Singh is the founder of Leeu Collection, a group of leisure boutique hotels in Franschhoek, South Africa (SA); The Lake District, UK; and soon to be opened in Florence, Italy. Leeu Collection also includes a significant presence in wine and viticulture through Mullineux Leeu Family Wines; an active F&B portfolio of restaurants in partnership with Azure Hospitality, Ritu Dalmia, The La Colombe Group in Cape Town, SA and the Alajmo Group in Italy. Art and landscaping are significant

differentiators in the hospitality businesses aided by a strong relationship with Everard Read, SA and Franchesca Watson.

A self-made entrepreneur, Mr. Analjit Singh was awarded the Padma Bhushan, India's third highest civilian honour, by the President of India in 2011. An alumnus of The Doon School and Shri Ram College of Commerce, University of Delhi, Mr. Analjit Singh holds an MBA from Graduate School of Management, Boston University. He has been conferred with an honorary doctorate by Amity University.

Professionally, he is the Non-executive Chairman of multiple Max Group companies - Max Financial Services, Max India, Max Ventures & Industries, Max Life and Antara Senior Living. He is also a Director on the Board of Sofina NV/SA, Belgium. Till October 2018, he was the Non-executive Chairman of Vodafone India.

Mr. Analjit Singh is a member of the Founder Executive Board of the Indian School of Business (ISB), India's top ranked B-School, and has served as the Chairman of the Board of Governors of Indian Institute of Technology (IIT), Roorkee - India's oldest and most prestigious engineering college, and Doon School, a premier Indian boarding school.

Mr. Analjit Singh has also served on the Prime Minister's Indo US CEO Council. He also served as the co-chair of Prabodhan, a unique forum for facilitating closer and more effective engagement between European and Indian decision makers and opinion leaders.

He has been felicitated by Senator Hillary Clinton, former US Secretary of State, on behalf of the Indian American Centre for Political Awareness for his outstanding achievement in presenting the international community with an understanding of a modern and vibrant India and for creating several successful JVs with leading American companies and promoting business ties with the USA.

He has been honoured with the Ernst and Young Entrepreneur of the Year Award (Service Category) and the Golden Peacock Award for Leadership and Service Excellence. In 2014, he was awarded with Spain's second highest civilian honour, the Knight Commander of the Order of Queen Isabella, and the Distinguished Alumni Award from Boston University. He also served as the Honorary Consul General of the Republic of San Marino in India.



Mohit Talwar

Managing Director

Mohit Talwar is the Vice Chairman of the Max Group. He is also the Managing Director of Max Financial Services Limited and Max India Limited, and Vice Chairman of Max Ventures & Industries Limited (MaxVIL). In addition, he serves on the Boards of Max Life Insurance, Max Healthcare, Max Bupa Health Insurance and Antara Senior Living.

In his earlier role as the Deputy Managing Director of the erstwhile consolidated Max India Limited, he successfully leveraged his strong relationships with institutional investors, hedge funds, banks and private equity firms, and led several complex corporate finance and financial structuring deals to ensure adequate investment and liquidity for the Group's operations. He has played a central role in executing key transactions, including the setting up of Max Bupa Health Insurance, bringing on board MS&AD Insurance Group Holdings as the new JV partner for Max Life and Life Healthcare's entry as JV partner in Max Healthcare, and later the equalisation of its stake in the business, and completing the mega restructuring of the erstwhile Max India into three new listed companies, which received a significantly positive reaction from capital markets. Mr. Talwar was instrumental in executing a stake repurchase transaction with IDFC Limited, and a transaction with IFC to repurchase its stake in Max Healthcare. He has also overseen key transactions in Max

Ventures & Industries Limited, including the induction of Toppan Group as a JV partner in Max Speciality Films, and a 22.5% stake sale to New York Life's subsidiary.

A veteran in the Corporate Finance and Investment Banking industry, Mr. Mohit Talwar has a wealth of experience in Corporate Finance and Investment Banking, having spent 24 years in wholesale banking across global organisations such as Standard Chartered, ANZ Grindlays and Bank of Nova Scotia, prior to joining the Max Group.



Ashok Kacker

Independent Director

Mr. Kacker, M. Sc. (Physics), University of Allahabad (topper of the 1972 batch), has more than 3 decades of experience in the Government as an Indian Revenue Service (IRS) Officer. He has served as Chief Commissioner of Income Tax and held senior positions both in executive capacities and policy formulation roles.

He has also served as the Executive Director with the Securities Exchange Board of India (SEBI) and in various capacities in committees set up by SEBI. He is the Founder and Managing Partner of A.K. Advisors and Consultants, an Advisory Company in the area of financial services, and Group Advisor with the India Bulls Group of Companies.



Ashwani Windlass

Director

Mr. Ashwani Windlass was part of the founding team at Max India, having served the Max Group in different capacities including as its Joint MD as well as MD, Hutchison Max Telecom from 1994 until 1998.

He has continued as a Board member of the Company ever since. He has been the Chairman, MGRM (Asia-Pac) and Vice Chairman, and the MD of Reliance Telecom.

He serves on leading advisory and statutory Boards, including MGRM Inc., USA, Hitachi MGRM Net Ltd., Vodafone Idea Ltd., Hindustan Media Ventures Ltd and Jubilant Foodworks Ltd.

He holds degrees in B.Com (Gold Medal), Bachelor of Journalism and MBA from Faculty of Management Studies, Delhi University.



D.K. Mittal

Independent Director

Mr. D. K. Mittal is a former Indian Administrative Service (IAS) officer from the batch of 1977 and has served the Government of India in various capacities, including Secretary, Department of Financial Services, Secretary, Ministry of Corporate Affairs and Additional Secretary, Department of Commerce.

Mr. D.K. Mittal has hands-on experience in Infrastructure, International Trade, Urban Development, Renewable Energy, Agriculture Development and Micro-Credit, Corporate Governance, Banking, Insurance, Pension and Finance. He holds a master's degree in physics with specialisation in Electronics from the University of Allahabad, India.



K. Narasimha Murthy

Independent Director

Mr. K. Narasimha Murthy entered the profession of Cost & Management Accountancy in 1983. He has been associated with the development of Cost & Management Information Systems for more than 150 companies across more than 45 industries. In addition, he has been closely involved in turning around multiple large corporates, focussing on systems improvement with a cost optimisation approach.

He has been associated with more than 28 High Level Committees as Chairman/Member both at the National and State level, including Prasara Bharati Restructuring Committee, Expert Committee on Common Wealth Games, Restructuring Committee of State Level PSUs, Expert Committee on Co-op. Credit Institutions, Fiscal Reforms Implementation Committee, TTD Investment Committee - Tirupati, among others.

He is also associated with the development of Cost Accounting Record Rules for many industries as a member of Informal Advisory Committee, Department of Corporate Affairs, Government of India. His contribution to the Costing & Management Accounting profession in India has been recognised by the Institute of Cost & Works Accountants of India (ICWAI), which honoured him with a citation in October 2007.

Mr. K.N. Murthy, has previously held Board positions at Oil and Natural Gas Corporation Ltd., IDBI Bank Ltd., LIC Housing Finance Ltd., UTI Bank Ltd., Unit Trust of India, AP State Finance Corporation, NABARD Board of Supervision, among others.



Sharmila Mansur Ali Tagore

Independent Director

Mrs. Sharmila Tagore is a highly experienced senior actress of the Indian Film Industry. She started her career in films in the year, 1957. She has won National Film Awards and Filmfare Awards for her various performances. The ministry of Culture and Communications of the Government of France had honoured her, in the year 1999, by making her an 'Officer de L'Ordre des Arts et des Lettres' (Officer of the Order of Arts and Letters).

Apart from acting, she has been and remains actively involved in social work both in India and abroad. She is UNICEF's goodwill ambassador in the cause of HIV/AIDS, works for the corneally challenged at the Venu Eye Institute, and is a Board member of the PSB trust. She gives general support for socio-cultural and community projects, e.g. communal harmony and for 'Katha', and organisation for under-privileged women and children that translates regional literature into English. In 2013, she was awarded Padma Bhushan by the Government of India.



Tara Singh Vachani

Director

Mrs. Tara Singh Vachani is the MD & CEO of Antara Senior Living. She is driven by the passion to create an enriching and fulfilling lifestyle for seniors that is unique to India. Her knowledge is backed by over 3 years of extensive research of senior living communities. Before creating Antara, Mrs. Tara Singh Vachani worked with the Corporate Development team at Max India Ltd. She has also been actively engaged in philanthropy through her involvement with Max India Foundation, the CSR arm of the Group.

Tara is a Non-Executive Director on the Board of Max India Ltd., the parent company of Max Healthcare, Max Bupa and Antara Senior Living. Additionally, she is also a Director at Max Healthcare. She is actively involved in The Leeu Collection, which is her family's international hospitality business with hotels in U. K., South Africa and Italy.

Tara has a diverse academic background and learning. She majored in Politics and South Asian studies at the National University of Singapore followed by courses in Strategy Management at the London School of Economics, and Hospitality Business Strategy and Management at Ecole Hotelier de Lausanne, Switzerland.

Tara is the youngest child of Mr. Analjit Singh, a well-known business leader and visionary, and she is married to Mr. Sahil Vachani. In her free time, she likes to engage herself in theatre and cinema, reading, playing with her dogs and most of all, spending time with close family and friends.

Max Healthcare



Max Bupa



Mr. Rahul Khosla

Chairman and Non-Executive Director

Dr. Pradeep Kumar Chowbey

Executive Vice Chairman

Mr. Rajit Mehta

Chief Executive Officer
& Managing Director

Mr. Adam Mills Pyle

Non-Executive Director

Mr. K. Narasimha Murthy

Independent Director

Mr. Mohit Talwar

Non-Executive Director

Dr. Omkar Goswami

Independent Director

Mr. Pieter Phillippus Van Der Westhuizen

Non-Executive Director

Ms. Roshini Bakshi

Independent Director

Dr. Shrey Balaguru Viranna

Non-Executive Director

Mrs. Tara Singh Vachani

Non-Executive Director

Mr. Yogesh Kumar Sareen

Executive Director

Mr. Rajesh Sud

Chairman and Non-Executive Director

Mr. Rahul Khosla

Co-Vice Chairperson and
Non-Executive Director

Mr. David Martin Fletcher

Co-Vice Chairperson and
Non-Executive Director

Mr. Ashish Mehrotra

Managing Director and
Chief Executive Director

Dr. Burjor Phiroze Banaji

Independent Director

Mr. Dinesh Kumar Mittal

Independent Director

Ms. Joy Linton

Non-Executive Director

Mr. K. Narasimha Murthy

Independent Director

Ms. Marielle Theron

Non-Executive Director

Mr. Mohit Talwar

Non-Executive Director

Mr. Pradeep Pant

Independent Director

Mr. Simeon Preston

Non-Executive Director

Antara Senior Living



Max SkillFirst



Mr. Analjit Singh
Chairman

Mrs. Tara Singh Vachani
Chief Executive Officer
& Managing Director

Mr. Mohit Talwar
Non-Executive Director

Mr. Pradeep Pant
Independent Director

Mr. Rahul Khosla
Non-Executive Director

Mr. Rohit Kapoor
Non-Executive Director

**Mrs. Sharmila Mansur
Ali Tagore**
Independent Director

Dr. Shubnum Singh
Non-Executive Director

Mr. Sahil Vachani
Chairman

Ms. Marielle Theron
Director

Mr. Rajit Mehta
Director

Mr. V. Viswanand
Director

Strategic Review

The background is a solid orange color with several large, overlapping, semi-transparent shapes in a lighter shade of orange. These shapes are organic and fluid, resembling stylized leaves or petals, and they create a layered, dynamic effect across the entire page.



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**STRATEGIC
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Chairman & MD's Letter



Dear Shareholders,

This year has truly been transformative in the journey of Max India, as we embarked upon a corporate restructuring exercise of your company in our two significant businesses, namely Max Healthcare (MHC) and Max Bupa. The key objective behind this restructuring has been to reinvigorate the Max India growth story by seeking new horizons and seeding new businesses with fresh growth potential.

Referring to MHC first, the regulatory landscape has become extremely challenging and inevitably led to shrinking margins and profitability. Further, with advances in medicine and science, the way forward requires huge infusion of capital for updating technology and equipment, thereby putting pressure on capital allocation. Decreasing length of stay in hospitals has also led to stagnating revenues per bed per night, adding to profitability challenges.

To counterbalance and mitigate the impact of the above trends, significant capital infusion will be required for both organic and inorganic growth. Hence, it was prudent to induct a leading private equity firm such as KKR into the

fold which, apart from capital, will bring scale through their existing hospital platform of Radiant Life Care.

The transaction, when completed, will create a listed entity that will become one of the top three hospital chains in India, attractively positioned in two large healthcare markets, with well-recognised local brands and a vintage mix of hospitals. In addition, it will lead to significant cost benefits as MHC and Radiant possess complementary set of capabilities in running healthcare establishments while KKR brings its extensive experience and expertise in healthcare investments.

Max Bupa's divesture will provide a cash inflow of over ₹ 500 crore to Max India, in addition to freeing up the future capital commitment for the business

Coming to Max Bupa, our Health Insurance business, we announced the divesture of our majority stake in Max Bupa to the private equity firm True North, as Max Bupa also required significant capital infusion in the immediate future to break-even and sustain its rapid growth in a highly competitive health insurance market. True North has deep knowledge and expertise on Indian markets, having invested in more than 40 businesses over the past 19 years through six funds with a corpus of over US\$ 2.8 billion across financial services and healthcare. Max Bupa's divesture will provide a cash inflow of over ₹ 500 crore to Max India, in addition to freeing up the future capital commitment for the business.

As a result of the two above mentioned transactions, the current shareholders of Max India Limited will be entitled to corresponding shares in Max Healthcare-Radiant Merged Entity once it becomes listed. Max India will thereafter remain the parent company of Antara Senior Living and Max SkillFirst. The plan thus far is to deploy funds from Max Bupa divesture for growing Max India's existing businesses as well as for seeding new initiatives which will have adjacencies to the Group's focus areas of life insurance, real estate, hospitality and senior living. In addition, we also plan to offer an exit opportunity through a capital reduction process to those shareholders who may not be keen about Max India's investment in such new growth businesses. This will be subject to requisite approvals.

Our other two businesses, Antara and Max SkillFirst, have continued to perform well during the year and our growth focus for these businesses will continue in the future.

Antara has gained valuable institutional learning during the process of operationalising its first community in Dehradun, which as per our belief, is India's best senior living commune. Antara is now well positioned not just to start additional senior living communities in Delhi-NCR and North India, but also to experiment with innovative service formats to cater to India's seniors; a segment which will see rapid growth in our otherwise young country.

Max SkillFirst has identified innovative opportunities through its partnership with Cohen Brown, an international leader whose courseware and tools have been utilised in more than 50 countries and translated into 15 languages. The company will also initiate work towards tech-led skilling in the customer-facing sector.

Since the time we went public, our choice of businesses and sharp capital management have resulted in a 23% IRR for Max India investors. As we progress with the beginning of a new era for Max India, we look forward to your unwavering support through this phase of transformation, which will provide a fresh impetus to growth and shareholder returns. We are confident that by the time the above restructuring is complete, it will be an appropriate time to share details about the new business plan that will power the growth in the next decade for Max India.

We thank each and every one of you for your continued belief in the Company and its vision. We are grateful to all our employees across the Group, our business partners, investors as well as the government and its various agencies with whom we engage actively for their support.

With Best Wishes,

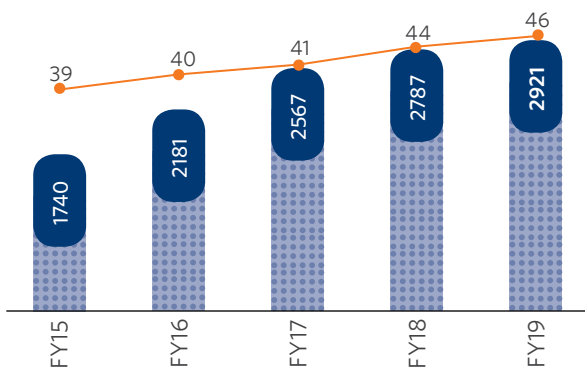
Analjit Singh
Founder & Chairman

Mohit Talwar
Managing Director

Business Review



Gross Revenue and Average Revenue per Occupied Bed*

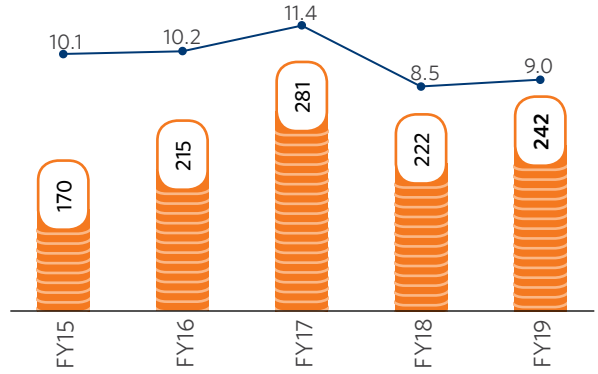


Revenue growth was impacted due to some carryover of Max Shalimar Bagh disruption and turbulence in international markets.

■ Gross Revenue (₹ Cr) ● Average Revenue per Occupied Bed (₹000)

* Figures for Max Healthcare network of hospitals.

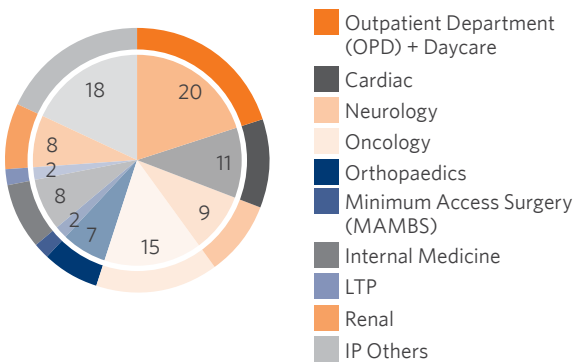
EBIDTA and EBIDTA Margin



Sharp improvement in EBIDTA and EBIDTA Margins due to structural cost optimisation which drove efficiencies.

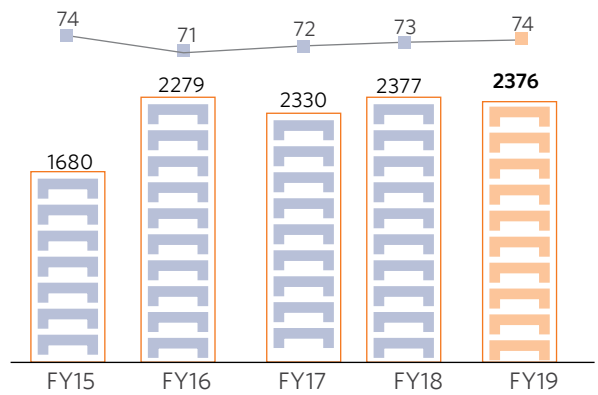
■ EBIDTA (₹ Cr) ● EBIDTA Margin (%)

Revenue Split (%)



Oncology witnessed the highest growth owing to clinician hiring, technology improvement and increasing patient loyalty and confidence.

Bed Occupancy

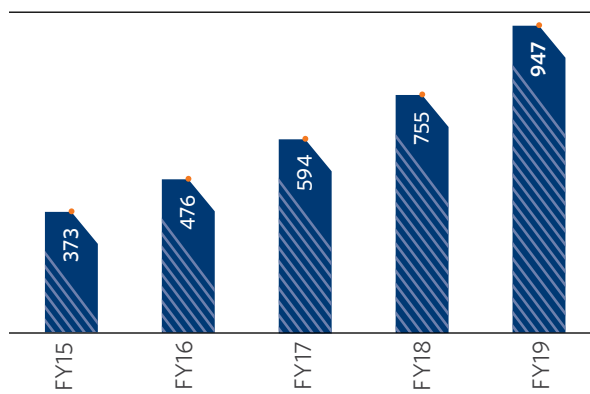


After a low occupancy of 70.9% in Q1 FY2019 due to international factors and clinician exits in Max Mohali and Max Smart, occupancy improved to 76.0% in Q4 FY2019, increasing the annual Occupancy Ratio.

■ Number of Operational Beds ● Occupancy Ratio (%)



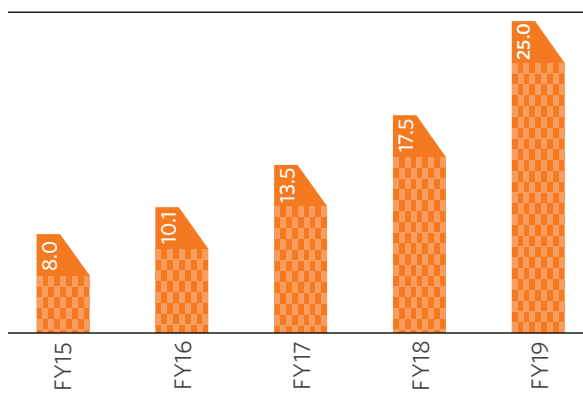
Gross Written Premium



GWP increase has been due to healthy growth in new sales as well as renewals.

(₹ crore)

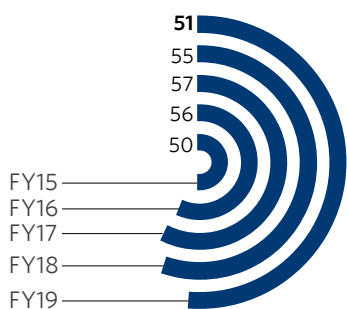
Lives in Force*



Healthy growth in customer base, driven by a multi-channel distribution strategy.

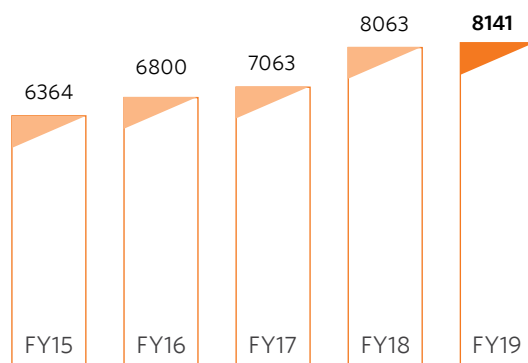
(lakh) *Excludes lives covered under RSBY

B2C Claims Ratio (%)



Healthier Claims Ratio achieved primarily through focus on retail business and strengthening underwriting and fraud prevention controls.

Premium Per Life



Consistent growth in Average Premium Per Life, driven by higher sum assured penetration across customer segments.

(₹)

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Management Discussion and Analysis
Max India Limited



Mohit Talwar
Managing Director



Dharmender Kumar
Associate Director - External Relations



Dilbagh Singh Narang
Director - Taxation



Jatin Khanna
Chief Financial Officer



Nitin Thakur
Director - Brand & Communications



P Dwarakanath
Head - Group Human Capital



Prashant Hoskote
Senior Director - Quality & Service Excellence



V Krishnan
Company Secretary

Management Discussion and Analysis

Max India Limited



About the Company

Max India Limited ('Max India' or 'the Company'), a multi-business corporate, is a part of the \$3 billion Max Group. Max India operates in the Health & Allied Services space through Max Healthcare Institute Limited (MHC), Max Bupa Health Insurance Company Limited (MBHI), Antara Senior Living Limited and Max SkillFirst Limited.

The Company was incorporated on January 1, 2015 as a result of the demerger of the erstwhile Max India Limited (now renamed as 'Max Financial Services Limited' or 'MFSL'). The investments held by MFSL in MHC, MBHI, Antara Senior Living Limited, Max SkillFirst Limited, Pharmax Corporation Limited, Max Ateev Limited and Max UK Limited stood transferred to the Company w.e.f. April 1, 2015.

The Company's key operating businesses include:

Max Healthcare Institute Limited (MHC) is an equal Joint Venture (JV) between MHC and Life Healthcare, South Africa's second-largest healthcare chain. This unit provides standardised, seamless and world-class healthcare services, especially focused on tertiary and quaternary care.

Max Bupa Health Insurance Company Limited (MBHI) a Max India subsidiary, is a 51:49 JV with Bupa Finance Plc., UK, and offers individual and family-oriented health insurance policies across all age groups.

Antara Senior Living Limited is Max India's wholly-owned subsidiary and offers highly differentiated, world-class senior living communities that fulfill lifestyle, wellness and health-related requirements of senior citizens.

Max SkillFirst Limited (Max SkillFirst) is Max India's wholly-owned subsidiary. It operates as a shared service centre that offers learning and development solutions as well as training services to companies in the Max Group as well as to external clients.

Corporate Developments

On December 24, 2018, the Company announced that KKR-Radiant Life Care will acquire a majority stake in MHC by purchasing MHC's JV partner, Life Healthcare's, stake and subsequently merging Radiant with MHC. The combination of Radiant and MHC will create the largest hospital network in North India. The network is expected to be among the top three hospital networks in India by revenue and the fourth largest in terms of operating beds. The transaction will result in the demerger of Max India into two listed companies, one created by the merger of MHC and Radiant and the other demerged entity, currently named Advaita, which will own the Senior Living Business.

A record date for the completion of this transaction will be set in due course by the Board of Max India.

On February 26, 2019, the Board of Max India approved the sale of its 51% stake in MBHI to the leading private equity firm True North. The transaction will lead to a cash inflow of more than ₹ 500 crore for Max India. The Company intends to utilise the proceeds to invest in both existing and new business opportunities, while also offering an exit opportunity to uninterested shareholders through a capital reduction process, subject to regulatory approvals.

Effective April 1, 2019, Mr. Rahul Khosla, who joined the Max Group in August 2011, transitioned from his role as the Max Group President to a non-executive position. As a part of the transition, Mr. Analjit Singh, Founder and Chairman of the Max Group, took on the position of the Chairman of Max India, previously held by Mr. Khosla, who will also demit his role as Chairman, MHC once regulatory approvals for the transaction with KKR-Radiant are received. This position will then be filled by KKR-Radiant.

Industry Overview

Max India's key businesses operate in the Health & Allied Services sector. Indian healthcare is one of the fastest growing sectors and is expected to reach ~\$370 billion by 2022. The growth fundamentals of the healthcare delivery segment remain strong, although the sector has been facing significant margin pressure for the past couple of years, driven by regulatory interventions such as capping of trade margins of many important medicines, capping

of stent and knee implant prices and a potential National Essential Diagnostic List, amongst others. The government launched the Ayushman Bharat scheme, which is a step in the right direction towards increasing health coverage. The sector has witnessed increasing Mergers and Acquisitions (M&A) activity of late, with announcements of IHH Healthcare buying controlling stake in Fortis, Manipal-TPG buying Medanta and Everstone Capital purchasing Sahaydri Hospitals. Much like healthcare, the Indian health insurance sector is also upbeat with gross written premiums witnessing a growth of 22% since FY2018.

Finally, senior living as an industry category is now witnessing a growth phase with existing players developing higher value products as well as new entrants trying to launch their first senior living ventures. However, most of these projects continue to be 'real estate' offerings by traditional real estate players and lack the sharp focus and world-class service standards of Antara's product offering.

Financial Highlights

Max India's flagship entity MHIL reported consolidated revenues worth ₹ 1,748 crore in FY2019 for its network of owned and managed hospitals, with an EBITDA of ₹ 212 crore and an EBITDA margin of 12.1%. The Company reported a revenue de-growth of 2%, EBITDA growth of 27% and EBITDA margin expansion of 276 bps. MHC's performance was adversely impacted in Q4 FY2018 due to an incident at its Shalimar Bagh hospital and other regulatory interventions. Subsequently, a Transformation Programme with multiple revenue and cost initiatives was undertaken in FY2019, which has seen MHC regain its growth and profitability trajectory, thus exiting Q4 FY2019 on a with a quarter-on-quarter revenue growth of 3% and an EBITDA growth of over 2.1 times from ₹ 28 crore in Q4 of FY2018 to ₹ 58 crore in Q4 FY2019 and EBITDA margin expanded by 654 bps to 13%.

Max India announced the acquisition of a majority stake in Max Healthcare by Radiant-KKR, subsequently merging MHC and Radiant. The merged entity is expected to create the largest hospital network in North India.

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MBHI's Gross Written Premium in FY2019 was recorded at ₹ 947 crore, growing 2.6% over FY2018. MBHI's performance was a result of healthy growth in new sales as well as renewals, and strong channel performance in bancassurance as well as proprietary channels such as agency and digital.

In April 2017, Antara Senior Living commenced operations at its first community near Dehradun, Uttarakhand. Since then, more than half of the apartments in the community have been sold out. In FY2019, Max SkillFirst reported revenues of ₹ 53 crore, which were 17% higher than FY2018, and a positive EBITDA (excluding a one-off expense) of ₹ 4 crore primarily due to better efficiencies. During the year, Max SkillFirst imparted over 3.9 lakh hours of training to more than 1 lakh learners through 90,000+ sessions.

Human Resources

The number of permanent employees in Max India as on March 31, 2019 is 48.

Max India remained steadfast in its focus on building effective corporate governance, a diverse work culture and a pipeline of talented and motivated individuals. This was primarily done through innovative methods of employee learning and development. Some of these efforts include multiple talent management interventions, in-house training programmes as well as sponsoring employees to attend external training and career development programmes for improving their functional and managerial effectiveness.

Communication is key to a well-functioning organisation. To ensure transparent communication, a refreshed purpose and the Company values of Sevabhav, Credibility and Excellence were disseminated to the entire management. The Company also maintains a fluid and agile organisational structure that allows for effective communication channels to ensure they all are aligned to the common business goals and strategy.

Opportunities and Threats

Each of Max India's businesses presents its unique challenges and opportunities. Its youngest business Antara Senior Living focuses on population in India over 60 years. Currently at 116 million, this segment is growing at 3.8% per annum. As Antara continues to transform its business from an investment-heavy to a capital-light operating model, it is ready to leverage new opportunities in the Delhi NCR and Mohali regions.

Max India's new business lines will be complementary to the Max Group's focus areas, such as life insurance, real estate, senior care and lifestyle

Max SkillFirst has identified an opportunity to grow aggressively in the financial services sector in India through its partnership with Cohen Brown, an international leader whose courseware and tools have been utilised in more than 50 countries and translated into 15 languages. The Company will also initiate the work towards tech-led skilling in the B2C Sector.

At this juncture, while Max India is confident of seeding new businesses after completing the sale of its hospitals and health insurance arms, a renewed start always poses the risk of uncertainties such as a delay in transactions beyond the expected time frame due to extraneous factors such as clearances and approvals. As Max India decides the businesses it wants to enter by next year, it is of utmost importance to create significant value for those who chose to remain invested with the Company. The new businesses will be complementary to the Group's focus areas, including life insurance, real estate, senior care and lifestyle.

Outlook

One of the key focus areas of the Company will be to conclude the MHC and MBHI transactions in a timely manner. The Company will also initiate the process of identifying value-accretive new businesses to fruitfully utilise some of the funds generated from the transactions.

At the same time, it is incumbent on the Company to ensure that all its existing portfolio companies continue to be run effectively and efficiently as per their business plans. Hence,

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Max India deploys innovative methods of employee learning such as talent management interventions, in-house training programmes and career development initiatives

it will continue to focus on strengthening MHC's existing operations, taking suitable cost actions and expanding outreach in India and abroad to achieve profitable growth. MHC will also add new clinical programmes and sub segment existing programmes. It will oversee a judicious management of cash flows while awaiting funding from the new shareholders.

Even as regulatory changes continue to put pressure on margins, it will ensure that cost optimisation efforts do not impact patient safety or medical quality but are focused

on increasing the productivity of spend, ensuring better negotiations with vendors and eliminating non-value-adding activities. MBHI will aim to retain and boost its sales momentum with the right product and channel mix while adding more customers through its innovative product and service proposition. Antara Senior Living will strive towards the swift and successful launch of new growth projects in Delhi NCR and North India, while continuing to improve sales velocity and collections at its Dehradun location.

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Rajit Mehta
Managing Director & CEO



Anas Abdul Wajid
Senior Director - Chief Sales & Marketing Officer



Anil Vinayak
Senior Director & Zonal Head - NCR1



Atulya Sharma
Director - Legal Compliance & Regulatory Affairs



Dr. Sandeep Budhiraja
Group Medical Director



Sumit Puri
Director- IT & Chief Information Officer

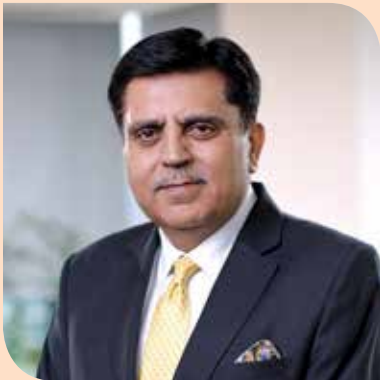


Vinita Bhasin
Director - Service Excellence & Customer Operations



Yogesh Sareen
Executive Director & Chief Financial Officer

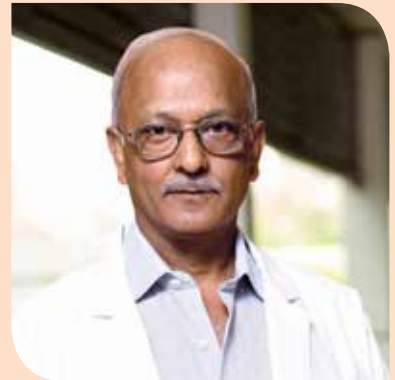
General Medical Advisory Council



Rajit Mehta
Managing Director & CEO



Dr. Anant Kumar
Chairman - Urology Renal Transplant,
Robotics & Uro-Oncology (Max Saket &
Max Smart)



Dr. Anil Kumar Singh
Chairman - MIND, Dehradun & Max
Neurosciences Forum



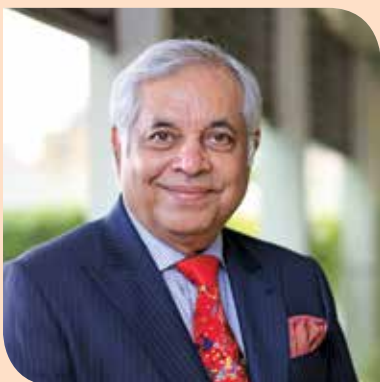
Dr. Anurag Krishna
Director - Paediatrics &
Paediatric Surgery



Dr. Harit Kumar Chaturvedi
Chairman - Max Institute of Oncology &
Director - Surgical Oncology



Dr. Kewal Krishan Talwar
Chairman - Cardiac Sciences & Cardiology



Dr. Pradeep Chowbey
Chairman - MAMBS & Allied Surgical
Specialities



Dr. Sandeep Budhiraja
Group Medical Director



Dr. Subhash Gupta
Chairman - Max Centre for Liver &
Biliary Sciences

The Indian healthcare industry is expected to grow at a CAGR of 22% till 2022, achieving a revenue of \$372 billion. Factors such as an increasing and ageing Indian population, growing disease burden, and increasing government focus, rising awareness and insurance penetration among the populace are expected to drive this growth further. Additionally, increasing investments, growing innovation and entrepreneurship are expected to increase the market size, thereby boosting the contribution of healthcare to the country's GDP.

The low cost of medical services and presence of world-class hospitals have resulted in a rise in the country's medical tourism, attracting patients from across the world. The medical tourism market in India is growing at a CAGR of ~25% and is expected to have a market value of \$9 billion in 2020. An additional striking aspect of Indian healthcare is the growing popularity of traditional and alternative medicine techniques such as Yoga, Ayurveda, Siddha, Unani and Homeopathy. With India being projected as one of the frontrunners in quality healthcare services today, it is estimated that the number of medical tourists would only increase in the coming years.

The Indian healthcare sector is expected to generate close to 7.5 million direct employment opportunities by 2022. With a shift in focus towards quality of service, particularly with the rising demand for tertiary and quaternary care, the industry requires specialised and highly skilled resources.

The Government of India has announced two major initiatives under the Pradhan Mantri Jan Arogya Yojana (PMJAY, popularly known as Ayushman Bharat) and the move to bring healthcare closer to homes via health and wellness centres. The National Health Protection Scheme is the largest government-funded healthcare programme in the world, which is expected to benefit 100 million poor families in the country by providing a cover of up to ₹ 5 lakh per family per year for secondary and tertiary care hospitalisation. In the long run, Ayushman Bharat shall become the universal health scheme for majority of the population.

The Central Government has made a budgetary allocation of ₹ 61,398 crore for the health sector for FY2020, with ₹ 6,400 crore earmarked for the ambitious PMJAY health insurance scheme launched on September 23, 2018. The outlay is one of the highest and reflects a 16 % increase over the allocation of ₹ 52,800 crore in FY2019.

About Max Healthcare

Max Healthcare has a network of 14 facilities in North India, offering services across all 30 specialities. Of these, 11 facilities are located in Delhi-NCR and the others in the cities of Mohali, Bathinda and Dehradun. The Max network includes state-of-the-art tertiary care hospitals in Saket, Patparganj, Vaishali, Smart, Shalimar Bagh, Mohali, Bathinda and Dehradun; secondary care hospitals at Gurugram, Noida & Greater Noida; and an outpatient facility and speciality centre at Panchsheel Park, Pitampura and a cancer care centre at Lajpat Nagar. The Super Speciality Hospitals in Mohali and Bathinda are under Public-Private Partnership (PPP) arrangement with the Government of Punjab. Max Healthcare has a base of over 3,000 doctors, 10,000 employees and over 2.8 million patients from over 130 countries, across the network of 14 hospitals.

During the year, the Noida hospital was temporary closed for a complete revamp of the facility and the hospital is expected to reopen in Q1 of FY2020. Further, the construction work for the addition of 90 beds (Tower B, Oncology Block) at Vaishali hospital was completed in Q4 FY2019 at the cost of ~ ₹ 100 crore. We are expecting to receive the Occupancy Certificate and other approvals for commercial launch of the Tower. The hiring of doctors and staff is presently underway.

Major Achievements and Awards for FY2019

Due to the steadfast focus on Clinical Safety and Service Excellence, Max Healthcare has an impeccable track record and high success rate in terms of complex surgeries and patient care parameters. In lieu of the same, Max Healthcare has received several awards and accolades in various service areas:

A) Clinical Safety

- a) Max Smart received Gold for Project 'Suraksha' - sepsis-related patient care outcomes - at the Asian Hospital Management Awards ceremony
- b) Max Hospital Patparganj received the first award for Maximizer Quality Project for 'Reduction of Medication Administration Error' at NABH National Healthcare Quality Conclave

B) Operational Excellence

- a) People's Choice Award for Persistency in Project Management for Project Uday - to improve patient retention from Outpatient Department (OPD) - at ASQ conference, Seattle

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A team of Max Healthcare doctors receives the CEO's award for exemplary display of Max Healthcare's core values

- b) Max Hospital Saket was awarded 'Gold' at QCI DL Shah National Quality awards for 'Improving Patient Experience' and 'Reduction of TAT in Emergency'

C) Service Excellence

- a) Bronze award for Life Savers Project (Max Bike Responder) at ASQ conference, Seattle
- b) People's Choice Award for Best Use of Data in Project Management through Project AGILE - to reduce patient discharge Turnaround Time (TAT) - at ASQ conference, Seattle
- c) Max Hospital Saket was the winner of 'Nursing Excellence Award' at Business Standards awards

D) Others

- a) People's Choice Award for Community Impact through Project Go Green - to reduce the hospital's air conditioning cost - at ASQ conference, Seattle

Operational Performance

Max Healthcare did reasonably well with respect to the growth across operational parameters owing to strong

operational control and focus on growth areas. Some of the parameters are defined below:

IP Occupancy % - Bed occupancy for FY2019 has been 71.4% as compared to 69.8% for the last financial year. The occupancy has increased marginally this year owing to positive improvement in the East and North zones. South and Outside NCR zones showed a dip due to clinician exits in Max Smart and Max Mohali. Occupancy was low in the first quarter i.e., 68.1% due to certain international factors such as turbulence in Afghanistan, the previously mentioned clinician exits in Mohali in Orthopaedics and Cardiothoracic and Vascular Surgeons (CTVS), and some unanticipated clinician leaves in June. However, occupancy has increased significantly in the last quarter to 74.0%, thereby improving the full year occupancy. The operational bed capacity increased marginally to 1,382 as against 1,343 in FY 18 since the last two years.

COE Revenue Share - Revenue for key clinical specialities or Centres of Excellence (COEs) (i.e., Cardiac Sciences, Orthopaedics, Neuro Sciences, Oncology, MAS, Liver and Biliary Sciences, and Renal Sciences) has increased by 3% compared to last year. Growth is largely driven by Oncology in medical and radiation sub-specialities owing

to new clinician hiring, technology improvement, internal referrals between sub-specialties, and increasing patient loyalty and confidence. Other specialties that have shown remarkable growth of around 7-11% compared to last year are Neurosciences, Renal Sciences, and Liver and Biliary sciences. Orthopaedic revenue has de-grown by 28% compared to last year primarily due to the exit of a senior clinician along with his team at Max Mohali. New clinicians have been hired and revenues are slowly recovering. Overall share of COE specialties has improved slightly, by 51%, in FY2019 compared to 50.4% in FY2018.

Average Length of Stay (ALOS) and Average Revenue Realised (ARR) – ALOS or patient TAT has increased from 3.11 in FY2018 to 3.20 in FY2019 due to an increased complexity of case mix. The inpatient ARR declined by 1.6% while the hospital ARR improved by 4.6% during FY2019.

Financial Performance

MHIL achieved Consolidated Revenue of ₹ 1,748 crore in FY2019 and recorded a de-growth of ~2% compared to last year. The consolidated operating margin (before interest and depreciation) has increased from 9.4% in FY2018 to 12.1% in FY2019, resulting in total EBIDTA of ~₹ 212.2 crore in FY2019. Net loss stood at ₹ 0.5 crore as compared to loss of ₹ 17.4 crore in the previous year.

Max Healthcare has achieved slightly higher revenues than last year, but is much lower than expected for FY2019 due to clinician exits in Max Mohali & Max Smart, dip in upcountry business performance due to temporary factors and international factors such as political unrest in Afghanistan, currency issues in Ethiopia and Turkmenistan, etc. The Company launched an Max Extended Care (MEC) programme to extend the reach of Max tertiary care to upcountry patients by ethically promoting services in various specialties through continuing medical education, upcountry patient assistance centres and OPD centres.

During the year, the revenues from the walk-in and third-party administrators / insurance channels grew by 7%. Similarly, the revenue growth from institutional revenues stood at 7.6%. However, the revenues from international patients were static due to the reasons mentioned above.

Further, government regulations such as trade margin capping on oncology drugs in February 2019 impacted the revenue and margins. However, Max Healthcare did exceedingly well on managing costs. It improved EBIDTA margins through strict cost control actions under the umbrella of project 'Transformation 3.0'. The focus on driving efficiencies and re-engineering of processes across the network hospitals has led to the improvement of gross

margin by 46 bps, more than 51% reduction in deductions from credit bill by Public Sector Units (PSUs), and lower power and fuel costs than the previous year despite increase in occupancies and footfalls.

Going forward, Max Healthcare expects to continue to drive efficiencies from process optimisation powered by a stronger set of tools, technological investments, automation and analytics. Further, with pressure on margin consequent to the regulatory actions in the later part of the year, the cost optimisation through procurement efficiencies, material usage and bed usage throughout will be the focus area for the organisation. We also strive to continually focus on investing in the latest medical technology, attracting skilled physicians and surgeons, and developing our expertise in high-growth tertiary care areas to serve the increasing demand for sophisticated clinical care and procedures.

Information and Medical Technology and Quality Certifications

Max Healthcare is constantly leveraging technological advancements to enable timely access of information to patients and clinicians, leading to enhanced patient safety, care and outcomes. In FY2019, there were several notable technology interventions at Max Healthcare covering aspects such as patient safety, data tracking, employee communication and better customer engagement. Some of the initiatives that were launched include enhancements to the Customer Relationship Management platform for business growth, new version of e-prescription with

In FY2019, Max Healthcare launched 'Transformation 3.0', which helped drive EBIDTA margins through strict cost control actions and enabled re-engineering of processes across the network hospitals, resulting in an EBITDA of ₹ 212 crore and an EBITDA Margin of 12%.

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#MoreToHealthcare campaign highlights the unrelenting efforts of doctors, surgeons, nurses & guards

improved user interface and speciality specific templates to further enhance patient safety and doctor adoption. Bar Coded Medication Administration (BCMA) has been launched in Oncology to help in reducing medication errors. Vios - the IoT-based platform for step-down care is live in all Delhi NCR units with the capability of real-time continuous monitoring of key vitals. 'Anurakshan', a tool for recording live updates of equipment maintenance schedule, breakdown time, etc., has been successfully deployed across Max Healthcare units for better preventive and predictive maintenance, and improved uptimes and utilisation of critical bio medical and engineering equipment.

Patient Portal and App 2.0 – A one-stop portal for healthcare services, serving as a digital locker for all patients' records, has been launched with the facility to book appointments and check in, online payments and discounts, family linkage and to order emergency and Max@Home services. Further, the Max@Home digital platform that was launched to enable seamless service delivery and continuum of care to patients has been further enhanced with deployment of all service lines, including physiotherapy, nursing and pathology. Also, the Lab Information Management System has been successfully launched across all Max hospitals, seven Hospital Lab Management contracts, and 550+ collection centres in FY2019.

Significant progress has been made in enhancing operational performance and analytics through deployment of new analytical dashboards that can provide real time data

visualisation, alerts and reports. Predictive analytics for diagnosing readmission risk of cardiac patients with acute Myocardial Infarction condition has also been successfully deployed. In all, these initiatives during the year helped to elevate the quality of medical care and decision-making process while keeping the cost of care in check.

During the year, Max Healthcare has completed the construction of its new Oncology tower at Max Vaishali to cater to the growing needs of cancer patients in East Delhi and Uttar Pradesh. State-of-the-art Operation Theatres (OTs) and diagnostics have been installed with new technologies such as 3D Laparoscopy System with 3D Imaging, which ensures a more accurate view with superior image quality and depth perception. Also, a high-end ultrasound machine was installed at Max Vaishali, with single-crystal transducers to enable images to be captured at greater depth in the body.

Max Patparganj commissioned its first Advanced ExacTrac System with Frameless SRS to enable highly accurate Radiosurgery treatments with advanced 6D correctional accuracy. Digital Radiography Systems for Max Dehradun, Shalimar Bagh, Gurugram, Vaishali and Noida has been procured for better time efficiency through bypassing chemical processing and enhanced images.

Max Healthcare's clinical governance framework, capably led by the Clinical Directorate, Physician and Nursing Leadership, has worked relentlessly to implement safe,

effective and efficient systems for patient care. Our unending focus is to strive for the best possible clinical outcomes and minimise clinical risks for our patients. Eleven hospitals under the Company's network are NABH accredited, in addition to JCI accreditation for Saket. New facilities are being continuously brought under the umbrella of quality accreditations. The Max Oncology Centre in Lajpat Nagar has successfully completed NABH accreditation, Blood Bank at Max Mohali is NABH certified and IVF centre at Max Panchsheel is now ISAR accredited. This helps keep the mission of establishing Max Healthcare medical facilities, clinical expertise, technology, safety standards and medical research at the highest level, comparable to the best-known institutions of the globe.

Some of the other key initiatives and achievements in the field of quality improvement are:

- (i) Combined Hospital Acquired Infection Rate, including Central Line Associated Blood Stream Infection (CLABSI), Catheter Associated Urinary Tract Infections (CAUTIs), Ventilator Associated Pneumonia (VAP) and Surgical Site Infections (SSIs) have reduced significantly, from 0.61 in FY2018 to 0.45 in FY2019
- (ii) Door-to-needle time: 92% of stroke patient were thrombolysed in less than 60 minutes in FY2019
- (iii) Category 2 and 3 death rates have dropped from 15% in FY2018 to 11% in FY2019
- (iv) Venous Thromboembolism (VTE) compliance rate has also shown continuous y-o-y improvement, from 72% in FY2016 to 89% in FY2019
- (v) Indian Market Research Bureau (IMRB) Emergency Satisfaction scores have risen from 54% in FY2018 to 64% in FY2019.

Service Excellence

Service Excellence is the core premise around which our healthcare operations are structured. Our group continues to deliver highest standards of service for our patients and takes learning from global institutions, elevating standards of healthcare delivery across network. The path to Service Excellence was paved with various initiatives such as Sanchay, i.e., a service-to-sales transformation journey, Sevabhav training for all supporting cadre and process re-engineering projects. Transparent goals, robust governance mechanism and encouragement through reward and recognition helped the cause.

Our group continues to deliver the highest standards of

service for our patients. On a global platform, at the ASQ conference held at Seattle, Washington in May 2018, Max Healthcare won the Bronze award for Life Savers Project, Max Bike Responder. This win makes us the only healthcare organisation in the last decade to win at this prestigious conference. To continue our quality improvement journey, we plan to further strengthen the processes in both clinical and non-clinical areas.

Human Resources

The evolving socio-economic environment and market changes have redefined the people function within healthcare organisations. Max Healthcare has proactively adapted and aligned itself to these reforms by ensuring that human resources is equipped to manage changes in the workforce as well as prepare itself for the future. We strongly believe that an improved employee experience is the key to a workplace that fosters productivity and belongingness. In line with these values, we launched *Saarthi*, the HR Helpdesk to address and resolve employee queries on attendance, benefits, etc. across platforms such as phone, email and the Web with flexible times and locations. In order to enhance employee experience in the initial duration of tenure, we also conceptualised and implemented a robust assimilation programme for new hires at General Manager (GM) and above levels on an organisational scale. Clinicians are the mainstay of the hospital and to inculcate the values of Sevabhav, Excellence and Credibility at grassroots, *MedInduct* was institutionalised as an introductory session about life at Max Healthcare. This year, the consolidation of the *MedInduct* programme led to new modules aimed at consultants and higher levels of clinicians in collaboration with our Learning and Development partners. At Max Healthcare, it is our constant endeavour to put forth employee views and promote excellence and team work. Based on employee feedback on various formal and informal forums, we have been working towards a fair and transparent performance management system. The most significant and unprecedented change was discontinuing the process of relative ranking for OL1 and OL2 cadres in Nursing and Front Office. Instead, a linear scale performance review process coupled with roll out of quarterly incentive program for rewarding top talent was introduced, based on clear data-driven parameters.

We pioneered apprentices in the hospital industry through *Vidyarthee*, an initiative that serves as a launchpad for creating a talent pipeline at a massive scale while optimising costs. In its second lap, *Vidyarthee* saw an even higher participation. We had 470 Vidyarthee apprentices on our

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rolls as on March 31, 2019 and the number is increasing every day.

To create a happy workplace that emphasises camaraderie, collaboration and credibility, *I Appreciate You* was launched as a *Sampark* app to foster appreciation and congeniality at work. Since its launch in February 2019, it has given employees an opportunity to thank their colleagues.

The *We Can* ideation app was also launched to encourage new ideas on cost optimisation, revenue enhancement and improving patient safety. Many such ideas are now being implemented and the second edition is under evaluation by a panel consisting of top leadership and subject matter experts. *Saarthi-Do You Know* Series helped familiarise employees with various facets of people processes and tools at their disposal.

Max Group's core value of Sevabhav was exemplified through *Pankh*, our flagship Corporate Social Responsibility (CSR) umbrella. Through our marquee activities focused on helping special and underprivileged kids, women and senior citizens, we touched 8,000+ lives in the last financial year. The units that created the most impact with their initiatives were identified and felicitated by our senior leadership. Several initiatives to strengthen bonds and increase engagement with clinicians took force this year. *Doc Talk*, training with *Pragati* and initiatives such as Chintan ensured that we remain nimble and adjust to the ever-changing business and legal landscape.

To promote excellence, Max Healthcare automated some of its HR processes, including generation of appointment letters for all new joiners. We also launched a database management tool for visiting consultants, which enabled real-time data updates and comprehensive dashboards as well as Management Information Systems.

At Max Healthcare, we understand that our most important asset is our talent. Through increased efforts and teamwork, we were able to exceed our retention targets for both clinical and non-clinical key talent this year. These results are an impetus for us to achieve new milestones in our areas of specialisation through collaborative participation and innovation.

Regulatory Environment

The regulatory changes in FY2019 are outlined as below:

Minimum Wages in Delhi

On March 3, 2017, the Delhi government, by its notification dated March 3, 2017, enhanced the minimum wages for all classes of workmen/ employees in all scheduled

Max Healthcare witnessed several notable technological interventions in FY2019 covering crucial aspects such as patient safety, data tracking, employee communication and better customer engagement.

employments under the Minimum Wages Act, 1948 (MW Act). Max Healthcare complied with the change in law and paid the wages at enhanced rates as per the March 2017 Notification. On August 4, 2018, the March 2017 Notification was quashed by the Delhi High Court (HC) for violating Article 14 of the Constitution, the MW Act, natural justice and due process principles. Max Healthcare again complied with change in law and reduced the minimum wages to the applicable level that existed prior to the March 2017 Notification. On September 13, 2018, the Delhi government moved the Supreme Court against the Delhi HC judgement quashing, inter alia, the March 2017 Notification. With effect from October 31, 2018, the Supreme Court, as an interim measure during the pendency of the proceedings, restored the MW Act, fixed as per the March 2017 Notification. The Supreme Court also made it clear that no recovery of amount already paid shall be made by employer(s).

National Essential Diagnostics List

A draft note on National Essential Diagnostics List had been released by the Indian Council of Medical Research (ICMR) (similar to the Pharmaceutical List) for public comments by January 31, 2019. The pricing guidelines and their implications are not yet known fully. We are keeping a close track to determine their impact on the Company.

Anti-Cancer Drug Price Control

In February 2019, the National Pharmaceutical Pricing Authority (NPPA) brought 42 non-scheduled anti-cancer drugs under price control through trade margin

rationalisation. The trade margin has been capped at 30%. The NPPA currently fixes prices of drugs placed in National List of Essential Medicines (NLEM) under Schedule I of the Drug Price Control Orders (DPCO). So far, around 1,000 drugs have been brought under price control under the initiative. Non-scheduled drugs are allowed an increase of up to 10% in prices every year, which is monitored by the NPPA. This is likely to adversely impact the economics of cancer treatment therapies, which involve high-end equipment and a specialised controlled environment.

CSR and Community Initiatives

The Max India Foundation (MIF) founded in 2008, is the CSR arm of Max Group, with a mission to provide quality healthcare to the underprivileged, provide holistic and focused wellbeing of underserved communities through village adoption, facilitate awareness of health-related issues and work for an eco-friendly environment. This is done by engaging Max Group employees and partnering with reputed NGOs in the execution of projects. The details of the activities of MIF have been provided in the Business Responsibility Review section of this Annual Report.

Outlook

In FY2019, Max Healthcare was focused on strengthening its existing operations, taking stringent cost actions and expanding the outreach in India and abroad to achieve financial gains. The business will continue to identify and implement initiatives to achieve sustained revenue growth. This will involve adding new clinical programmes and sub-segmenting existing programmes. Further, with pressure on margin consequent to some of the regulatory actions detailed above, the cost optimisation efforts will be accelerated and this will continue to be an ongoing focus area for the organisation. However, it will be ensured that no cost rationalisation impacts patient safety or medical quality, and will be more focused on increasing the productivity of spend, eliminating waste, better negotiations with the vendors and weeding out non value-added activities. Patient Centricity, Medical Excellence and Service Excellence will continue to be an integral part of Max Healthcare's vision of building an admirable institution. In three to four years, we want to become the most trusted name in healthcare, with dominance in the areas of tertiary and quaternary care segments.



Max Smart Super Speciality Hospital, Saket bags the 'Excellence Award' for project 'Suraksha' at the Asian Management Hospital Awards (AMHA) 2018

As announced on December 24, 2018, Radiant Life Care Private Limited (Radiant), a leading Indian hospital management company, acquired a majority stake in Max Healthcare, purchasing 49.7% stake from the South Africa-based hospital operator, Life Healthcare. This combined entity of Max Healthcare and Radiant will create the largest hospital network in North India, which will become among the top three hospital networks in India by revenue and the fourth largest in India in terms of operating beds. Max Healthcare will immensely benefit from the merged entity as it will go on to operate over 2,204 beds throughout 12 hospitals across India, including tertiary and quaternary care facilities, offering high-end critical and super speciality care supported by strong local brands such as BLK Hospital, Max Saket Hospital, Max Smart Hospital, Max Patparganj Hospital and Nanavati Hospital. The combined business is expected to provide significant growth potential and compelling business synergies. By providing best-in-class patient care, the combined business plans to address India's growing demand for quality medical treatment.

The financial numbers reported above are as per Ind AS standards. This is considered a hugely positive move since Ind AS is substantially closer to the accounting followed by the global companies under International Financial Reporting Standards (IFRS).

Management Discussion and Analysis
Max Bupa



Ashish Mehrotra
Managing Director & CEO



Anika Agarwal
SVP & Head-Marketing
Digital & Direct Sales



Anurag Gupta
SVP & Head - Agency Channel



Aseem Gupta
SVP & Head - Portfolio Management &
Affinity Channels



AV Raman
SVP - Actuarial



Partha Banerjee
Director & Head - Legal, Compliance &
Regulatory Affairs



Rahul Ahuja
Chief Financial Officer



Tarun Katyal
Director & Chief Human Resources Officer



Vikas Gujral
Chief Operating Officer

Management Discussion and Analysis

Max Bupa



Max Bupa celebrates its top performers in sales at the coveted 'League of the Extraordinary' event with MD & CEO Ashish Mehrotra

Max Bupa Health Insurance Company Ltd. (MBHI), a Max India subsidiary came into being in 2010 through the formalisation of a 51:49 joint venture between Max India Limited, a specialist in the life insurance and healthcare sectors, and Bupa, UK'S 70-year-old healthcare giant with presence across 190 countries.

Max Bupa was the third standalone health insurance company to be launched in India at a time when the health insurance penetration in India was abysmally low. Over the years, Max Bupa, besides establishing itself as one of the most trusted names in its chosen segment, has helped make a contribution towards propelling the growth of the health insurance sector through customer education programmes and proactive outreach across social media platforms.

What sets Max Bupa apart from other health insurers in the Banking, Financial Services and Insurance (BFSI) segment is its laser-sharp focus on driving 'customer-centric' profitable growth. Our purpose of helping our customers lead healthier, more successful lives, unifies us as an organisation and forms an integral part of our DNA. Our constant endeavour is to put our customers at the forefront of everything we do – be it our product design, our service promise, our claims philosophy or our brand promise. We continue to delight our customers everyday at each touch point and are deeply committed to helping them lead healthier, more successful

lives. This has helped us build a loyal base of 2.5 million customers, persistent best-in-class rates and a strong market reputation.

- Max Bupa has designed innovative, customer-centric health insurance offerings, in line with its customers' evolving health needs and across life stages. We have pioneered several customer-centric features such as any age enrollment and lifelong renewability in the industry, which later became a part of the regulatory framework.
- Service excellence is embedded in Max Bupa's DNA and we provide a hassle-free experience at each customer touch point, be it the point of sale, claim, service or renewal. We were the first ones to own the moment of truth by introducing the 30-minute cashless claims promise. At Max Bupa, we are committed to paying genuine claims. Our entire claims philosophy has been built keeping in mind the criticality of the moment in the lives of our customers.
- We continue to lay deep emphasis on customer-centric innovations. Last year, we introduced the AnyTimeHealth machine, a completely automated, technology-based model that offers an instant awareness-to-purchase journey. We also introduced 'Point of Care', which is in line with our 'customer-first' agenda.

The following are some of our key differentiators:

1. Customer-centric product offerings

Over the last nine years, Max Bupa has built a rich legacy of providing customer-centric, digitally enabled new-age offerings, which are designed to meet customers' health and wellness needs across various life stages. Our portfolio consists of indemnity and fixed benefit plans. Our bouquet of offering include the following:

- Heartbeat, Max Bupa's flagship product, is one of the most compelling products in the industry and is synonymous with the introduction of several industry-first features such as any-age enrolment and lifelong renewability, both of which later became a part of the regulatory framework. The latest version of Heartbeat offers unique benefits such as international cashless treatment for critical illnesses and medical evacuation facility globally, flexibility in sum assured up to ₹ 1 crore, lower waiting periods on pre-existing diseases and coverage for up to 19 relationships under a single policy. Other benefits include maternity benefits and coverage for new borns, lifelong coverage for day-care procedures and tapering co-pay benefit for senior citizens.
- Over the years, Health Companion, our second indemnity offering with a wide spectrum of customer-centric features, has become popular and is among the most recommended health plans by industry experts. Its distinguishing features include no-claim bonus, refill benefit and cover for alternative treatments such as Ayurveda, Unani, Siddha and Homeopathy.
- Health Assurance is our fixed benefit plan that offers a lump sum amount to customers in case they are detected with a critical illness or in case of an unforeseen personal accident. The product offers a triple advantage; it covers up to 20 critical illnesses, provides personal accident cover up to ₹ 5 crore and comes with a hospital cash benefit.
- GoActive, the latest entrant in our indemnity product portfolio, is a digitally enabled new-age product from Max Bupa that caters to the 'daily health needs' of Indians. It is a holistic health insurance plan that has been designed to give customers 360-degree coverage for their daily health needs including inpatient hospitalisation and on-the-go access to OPD, diagnostics, personalised health coaching, second medical



Max Bupa's latest offering GoActive is a digitally enabled comprehensive health plan that helps consumers fulfill their everyday health & wellness needs

opinion, behavioural counseling and much more. In a short span of time, GoActive is one of the first few offerings in the market that enables customers to access a digitally enabled ecosystem for all their health needs.

- Health Recharge is a super top-up plan that fulfills the needs of those who are inadequately insured and need a financial buffer during a medical emergency. It comes in sum insured range of ₹ 2 lakhs to ₹ 25 lakhs, with a deductible value between ₹ 1 lakh to ₹ 10 lakhs.

2. Service as a key differentiator

One of the most important aspects that sets Max Bupa apart from other insurers is its laser-sharp focus on service excellence. It is our continuous effort to provide the best services to our customers. Some of our differentiators are:

- Max Bupa has created a service proposition in the health insurance industry through cashless claims pre-authorisation within 30 minutes, which is the real moment of truth for any health insurance company. Over 80% of our cashless claims pre-authorisation is done within 30 minutes.
- Max Bupa has leveraged the latest tools to provide a seamless experience to our customers during the entire customer journey. Our self-service apps for our agents and partners - Instalnsure and SARAL - help customers enroll and issue policies faster, thereby creating customer delight at the point of sale.

Management Discussion and Analysis

Max Bupa

- Max Bupa has a robust and hassle-free Customer Relationship Management (CRM) tool that helps in faster claims processing for our customers, agents and partners.

3. Legacy of introducing customer-centric 'industry-first' offerings

Over the years, Max Bupa has created a strong market reputation of introducing many 'industry firsts', ranging from its innovative product offerings to its service experience. Besides GoActive, our recent innovations include AnyTimeHealth (ATH) and Point of Care (POC) desks at leading hospitals, which help customers navigate with ease through the otherwise complex and tiring hospitalisation procedures and protocols. Max Bupa plans to expand POC desks to more network providers in FY2020 to deliver a more personalised experience to its customers.

Max Bupa offers both individual and family health insurance plans and has a robust network of over 4,500 leading healthcare providers and 31,000+ agent partners in India. The Company offers high-quality services through a dedicated team of over 2,300 people spread over 42 offices across 30 cities in the country.

With a compelling customer-centric product proposition, coupled with a strong market reputation and deep thrust on innovation, Max Bupa has carved a niche for itself in the health insurance sector.

Industry Overview

In India, the health insurance sector continues to grow exponentially – it is the most rapidly growing segment in the BFSI sector, with Gross Written Premium (GWP) increasing to ₹ 50,891 crore in FY2019. On account of the low percentage of the Indian population having any form of health insurance coverage, the sector presents a huge opportunity of growth and thus continues to attract new players, the most recent being Reliance Health Insurance, which started its operations in FY2018. The rise in lifestyle and chronic diseases such as Cancer, Diabetes and Cardiovascular ailments over the past few years is contributing towards the necessity to be aware of health insurance. According to industry experts, the health insurance market is likely to continue the same growth trajectory for the next 3-5 years.

Max Bupa continues to cater to the Business to Customer (B2C) health insurance sector. Its GWP in FY2019 grew by 26%, higher than the industry's B2C segment growth

of 16%. The health insurance industry continues to be dominated by four public sector companies, which together constitute 49% market share. In addition, there are 25 private general insurance players and seven standalone health insurers. While new players enter, there have also been signs of consolidation, with prominent players looking at selling their majority stake.

Operations - Highlights

Max Bupa has further fortified its footprint across the length and breadth of India with a growing base of ~2.5 million customers, serviced via its diverse distribution channels, including a network of 31,000+ agents spread across the country, a telesales team and deep partnerships with leading web aggregators such as Policybazaar. The Company also has strong enduring distribution partnerships with Indian and international banks such as HDFC bank, Bank of Baroda, Standard Chartered Bank, Federal Bank, Deutsche Bank, South Indian Bank, Karur Vysya Bank, Sarv UP Gramin Bank, Bajaj Finserv and Rattan India, which provide it access to millions of customers across India.

Max Bupa offers both indemnity and fixed benefit categories of products serving retail, affinity/bank groups and government-sponsored health insurance programmes. Our indemnity product offerings, including our flagship product Heartbeat, Health Companion and the recently launched GoActive plan, continue to be well received in the market and contribute to steady sales growth. The fixed benefit product Health Assurance comes with varied features including higher sum insured options, up to 3 years of policy tenure and flexible combinations between the three different sub products – AccidentCare, CritiCare and HospiCash. Health Recharge, which was launched last fiscal, a Super Top-up plan, is one of the most competitively priced policies under this category and has played a pivotal role in further enhancing our overall customer base, while giving us an opportunity to upsell to our existing customers.

We also launched a number of customised offerings for our group customer segments, including a 5-year group critical illness policy and a 2-year group health secure cover. We will continue to innovate and expand our retail portfolio in FY2020 to provide our customers with a wider choice of products and services.

Max Bupa continues to heavily invest in technologically enabled solutions to provide exemplary service and seamless processes to all its customers. A robust CRM system, the Agent self-service app, the Instant policy issuance app and the customer self-service app are some of the technologically enabled services that are a part of our



Top 100 leaders of Max Bupa at the company's annual All India Business Meet 2018

offerings. We are investing in new-age technology such as chatbots and artificial intelligence to further enhance and automate customer experience.

In line with the goal of making Max Bupa a truly customer-centric organisation, the 'Max Bupa HERO Program' was introduced in FY2018. It was designed to embed service excellence in the organisational matrix and coach each employee to collectively achieve significant business outcomes. Keeping this objective in mind, we encouraged our employees to demonstrate the four core characteristics of a Max Bupa HERO - Helpful, Empathetic, Responsive and Ownership - in their day-to-day business.

Awards and accolades won in FY2019

- Awarded 'Digital Innovator of the Year 2018-19' by India Insurance Awards for pioneering industry-first digital

Key performance indicators for FY2019

1. GWP increased by 26% to ₹ 947 crore in FY2019 from ₹ 754.5 crore in FY2018.
2. Provider network increased to more than 4,500, spanning over ~500 cities in India.

innovations such as GoActive and ATH

- Felicitated with the Economic Times Brand Equity Award in 'Best Consumer Health & Fitness Campaign 2018-19' for GoActive
- Ranked among 'Hottest 50 brands' by Paul writer alongside renowned consumer brands

Max Bupa continued to strengthen its brand equity in FY2019

- Over the last nine years, we have deeply invested in building a brand that is true to its purpose of helping customers lead healthier, more successful lives. Moving away from the popular perception of health insurance being a mere low-involvement tax-saving transactional instrument, we have differentiated ourselves by being
3. Max Bupa emerged as the fifth-largest B2C player among private insurers with an estimated market share of 6.3% in the private B2C segment (as on March 2019).

Management Discussion and Analysis

Max Bupa



Max Bupa's CSR campaign with Cuddles Foundation - 'Donate Your Weight' helps cancer-afflicted children lead healthier lives

a brand that is able to drive meaningful conversations with customers regarding what matters to them the most i.e., their health.

- This has helped us create a strong brand connect and has resonated in all our brand campaigns to date, including our most recent GoActive campaign, which showcases health insurance as a wellness product that helps customers stay healthy and out of the hospital via a product used only at the time of hospitalisation.
- We have been recognised among the most trusted and well-known health insurance players in India by multiple consumer surveys, including the coveted Superbrands, for three consecutive years - 2016, 2017 and 2018. Superbrands is one of the most renowned and oldest global accolades that recognises top brands across various sectors by conducting a countrywide consumer survey on brand perception and recall. We were recently conferred with the Economic Times Best Brands Award 2018-19.
- Max Bupa has strengthened its brand equity in the market with its annual flagship event - 'Walk for Health' - which has been running successfully for the last six years and has encouraged many to take up walking for a healthier future. Max Bupa was the first brand in

India to take up the cause of walking and advocate its benefits to people across age groups on a national scale. Our 'Walk for Health' is a testament to our commitment towards keeping India's healthy.

FY2019 Marketing Highlights

- Max Bupa secured one of the highest brand awareness scores among Standalone Health Insurers (SAHIs)
- In order to maintain a consistent brand presence, we invested in an 'Always On' brand strategy during the last fiscal wherein we were present through the year on various digital platforms and radio channels. This was particularly beneficial in building our brand presence in new markets, including Tier 2 and 3 markets that we entered last year.
- Max Bupa had the highest PR Share of Voice i.e., maximum number of news impressions (in print, digital and electronic media) compared to competitors in the fiscal (evaluated by a third-party media monitoring agency called IMPACT)

Changes in Key Financial Ratios

The Underwriting Balance Ratio for the year is (12.8)% compared to (4.8)% in the previous year. The Operating

Profit Ratio for the year is (7.7)% compared to 0.4% in the previous year. The variance in the Underwriting Balance Ratio and Operating Profit Ratio is attributed towards a one-time revision in the methodology for calculation of Unearned Premium Reserve (UPR) from 1/365 to 50% of Net Written Premium from September 2016 onwards. This had a one-time impact on Net Earned Premium during FY2018 due to movement in UPR. The Net Earnings Ratio for the year is (6.6)% compared to 3.9% in the previous year. Return on Net Worth for the year is (18.4)% compared to 8.9% in the previous year due to change in the UPR methodology.

Strategy

At Max Bupa, our aim is to achieve 'customer-centric profitable growth' and to become the most trusted health insurer in the country. This can only be achieved by strengthening our trust equity among our customers and people, delivering value to all stakeholders and remaining at the helm of innovation and digitisation at each customer touch point.

The Company is building a gamut of service offerings to become the preferred health and wellness partner of customers across segments. We are deeply focussed on creating seamless customer-centric products that can be distributed through our diverse base of partners across the country. Additionally, our exemplary customer service is a key differentiator and continues to help the Company foster long-term relationships with its customers.

Our endeavour is to become a digital-first health insurer through integration of technology with our existing processes. We have a long-term focus on fortifying its digital offerings to improve customer experiences through digital processes, platforms and tools. We are also investing in building a digitally enabled ecosystem, high-class analytical capabilities and automating underwriting and claims and further improving our operational efficiencies. We are also developing partnerships with health-tech and insure-tech companies.

In order to deliver value to all stakeholders, Max Bupa continues to focus on profitable urban segments. However, to build regional relevance, we are expanding to new geographies in Tier 2 cities. Aligned to this goal, we are strengthening our direct tie-ups with over 4,500 hospitals across 500 cities. We support our customers through our in-house team of dedicated professionals, including doctors and clinical experts.

Max Bupa will continue to invest in the overall growth and development of its employees through its 'People-First'

agenda, including the preparation of a forward-looking roadmap, so that it can build itself as an employer of choice and a great place to work.

Regulatory Environment

FY2019 was an interesting year for the Indian insurance industry. It saw the addition of new categories of insurance intermediaries, diversity in the products on offer and evolving business processes. From a regulatory perspective, the year continued to overhaul the existing insurance regulatory framework with new regulations being introduced and existing guidance being amended and updated.

- The Insurance Regulatory and Development Authority of India (IRDAI) issued 'Modified Guidelines on Standards and Benchmarks' for hospitals in the provider network and directed all insurance companies and Third-party Administrators (TPAs) to ensure that all the existing network providers register with the Registry of Hospitals in the Network of Insurers (ROHINI) maintained by the Insurance Information Bureau (IIB). They are also required to obtain either pre-entry level certificate or higher level of certificate issued by the National Accreditation Board for Hospitals and Healthcare Providers (NABH), or state-level certificate or higher level of certificate under National Quality Standards (NQAS) issued by the National Health Systems Resources Center (NHSRC). This would help the insurers have arrangement with quality hospitals, which will, in turn, benefit customers.
- Regulator issued a communication regarding the automation of BAP General Insurance Product Module to include the generation of an automatic Unique Identification Number upon insurers filing information in Form A and uploading documents made accessible with effect from August 1, 2018. This helped in reducing the effort and time involved in the manual filings.
- In reference to the Mental Health Act, 2017, the Regulator had directed all insurance companies to comply with the provisions of the Act, thus ensuring mental illness is covered under medical insurance policy, proposal forms are drafted accordingly and underwriting manuals are put in place with effect from August 16, 2018.
- Regulator also directed all insurance companies to comply with the provision of Human Immuno Deficiency Virus and Acquired Immune Deficiency Syndrome (Prevention and Control) Act, 2017. The Act clearly directs that no person is to be discriminated against the protected person on any ground unless supported by actuarial studies for denial or unfair treatment.

Management Discussion and Analysis

Max Bupa

Max Bupa emerged as the fifth-largest B2C player among private insurers with an estimated market share of 6.3% in the private B2C segment.

- IRDAI also advised the insurers to immediately inform the concerned policyholder on his mobile number by an automatic SMS on the receipt of premium under a policy. This will help the customer know the premium amount and when the policy is issued based on the confirmation.
- Prevention of Money Laundering (Maintenance of Records) Amendment Rules, 2019 were released. Changes were made to Rule 9 of the Prevention of Money Laundering (Maintenance of Records) Rules, 2005. While the previous requirements for KYC documents continue, for companies, partnership firms, trusts and unincorporated bodies, an addition was made to acceptable documents; Board resolution authorising the authorised signatories, PAN/ Form 60 and a photograph of the authorised signatory of the above entities are required.
- The Supreme Court of India, in its order in The Regional Provident Fund Commissioner (II) West Bengal vs. Vivekananda Vidyamandir & Ors, on February 28, 2019, has held that special allowances will be included within the ambit of the term 'basic salary' for the purpose of calculation of the contribution to the employee's provident fund. This is a big change across corporates and requires detailed evaluation to implement.
- Insurers have been advised not to mandatorily seek Aadhaar and PAN/Form 60 from the proposer/policyholder as part of KYC. This provides a relaxation on mandatory documents. The Regulator has also directed that the insurers will under no circumstance do the authentication using either the e-KYC facility or the Yes/No authentication facility of Unique Identification Authority of India (UIDAI).

Outlook and Risks

Indian health insurance continues to remain a fundamentally attractive industry with growth projections of ~16% over the next 3-5 years. The industry is witnessing the entry of multiple new players in the SAHI space, thus increasing the options of products and providers available to customers. The industry is also going through consolidation (of older players), with prominent players looking at selling their majority stake. With a growth of 16% over last year, the industry is still favouring the B2C segment as witnessed over the last few years and is expected to continue this trend. Max Bupa, now the fifth-largest B2C player in the private insurance industry, plans to continue building on its expertise in the retail segment and add more families through its innovative product and service proposition. With established processes, a stable sales team and growing reputation, Max Bupa will continue to capitalise on its market differentiation with its customer-centric orientation and build long-term customer relationships.

Max Bupa's overall approach to managing risk is based on the 'three lines of defence' model with a clear segregation of roles and responsibilities for all the lines. Business Managers are part of the first line of defence and have the responsibility to evaluate their risk environment and set up appropriate controls to mitigate such risks or avoid them. The Risk Management Function, along with the Compliance Function, Fraud & Risk Control Unit and Chief Information Security Officer, forms the second line of defence. The Internal Audit Function guided by the Audit Committee is the third line of defence and provides an independent assurance to the Board. The Statutory Auditors and regulatory oversight aided by the Appointed Actuary and Panel Actuary in his/her fiduciary capacity is also construed to provide an additional line of defence.

Max Bupa has an operationally independent Risk Management Function in place, headed by a Chief Risk Officer. The function is responsible for the supervision of all risk management activities in the Company, including developing the risk appetite, maintaining an aggregated risk view across the Company and monitoring the residual risks to ensure that they remain within tolerance levels. It also reviews the appropriateness and adequacy of the risk management strategy and develops recommendations to the Risk Committee as necessary. The Risk Management Function also ensures that through various management submissions, the Board is adequately informed on key emerging risk-related issues and if necessary, provides

supplementary advice to the Board through the Risk Committee. All important risk-related matters are discussed, reviewed and monitored by this Committee on a periodic basis.

Risk management activities are supervised on behalf of the Board by the Risk Committee, whose responsibilities conform to those prescribed by the IRDAI.

'People-first' Philosophy

At Max Bupa, we believe that people are our biggest organisational assets and hence, it is our continuous endeavour to create a 'People-First' culture through employee-friendly policies and practices. Our Purpose and Vision are reinforced through various initiatives that keep people at the heart of everything we do. All interventions to engage our employees are driven by the management and extended leadership team.

We are committed towards embedding the organisational values in all our people processes such as recruitment, performance management, talent development initiatives, career progression, rewards & recognition, etc. Our aim is to build a high-performance culture driven by pure meritocracy. Hence, we have taken significant steps towards streamlining all processes and policies related to employee performance through a robust performance management exercise that includes regular feedback from managers and subsequent action to be taken by both the employee and the manager.

We also encourage a holistic personal development plan for our people to develop into dynamic professionals. Our business rests on six Core Values - Caring, Respectful, Ethical, Accountable, Trustworthy and Enabling (CREATE). This value system is a key step towards realising our long-term vision of becoming the most admired health insurance company in India.

The deployment of multiple communication tools to effectively engage and communicate with the employees helps propagate an open and two-way communication between the leadership team and the people within Max Bupa. Several key initiatives such as CEO town halls, CEO Red Carpet, function-wise town halls, Company newsletter, employee engagement survey, employee engagement & health-wellness initiatives, etc. serve as a platform to cascade key organisational information and connect with the employees. To analyse and understand the effectiveness of these tools, periodic reviews are held during the year.

Max Bupa has distribution partnerships with Indian and international banks such as HDFC bank, Bank of Baroda, Standard Chartered Bank, Federal Bank, Deutsche Bank, South Indian Bank, Karur Vysya Bank, Sarv UP Gramin Bank, Bajaj Finserv and Rattan India, which provide it access to millions of customers across India.

This involves assessment of Key Result Areas (KRAs) of each team and the feedback provided in the employee engagement survey.

Last fiscal, we strengthened our employees' learning and development journey by introducing more streamlined and effective learning platforms to keep them engaged and help them upgrade their skills to build long-standing careers with us.

In FY2019, one of the most important metrics - Employee Engagement and Satisfaction Score - witnessed a significant increase and participation rate compared to the previous year. The enhanced score and the participation rate are testimony to our commitment to keep our 'people first' in everything that we do at Max Bupa.

Management Discussion and Analysis
Antara Senior Living



Tara Singh Vachani
Managing Director & CEO



Ajay Agrawal
Chief Financial Officer



Ambica Chaturvedi
Director - Human Capital & Special Initiatives



Ashish Loach
General Manager - Community Operations



Badar Afaq
Head - IT



Deepa Sood
Company Secretary & Legal Counsel



Kenneth Sannoo
Director - Community Development



Renuka Dudeja
Head - Marketing & Communications



Sanjay Bhatia
Director - Community Development

Management Discussion and Analysis

Antara Senior Living



A picturesque view of the Antara Senior Living facility at Dehradun

Antara Senior Living Limited, part of the Max Group, is based on the idea of creating an active, vibrant residential concept for progressive seniors. Antara is a seamless extension of Max India's core ethos of Sevabhav, Credibility and Excellence. Common interests, beliefs and enthusiasm shall bond our residents together in inexplicable threads that help friends become family. We believe in building a community where like-minded people can find each other and call it their home. Based on the belief that there is no age limit on a life of activity and significance, Antara has set some benchmarks for other senior living communities.

Industry Outlook

Senior living as an industry category is witnessing a growth phase with existing players trying to step up and develop higher value products as well as new entrants trying to launch their first senior living ventures. While most of the offerings in the market are still being delivered by traditional real estate developers, there are instances where non-real estate players have started venturing into this sector. At

present, the market has a well-developed senior home care segment as well, which directly provides clinical and non-clinical services to seniors at their home.

With the concept gaining popularity in the senior space, the new generation of senior living projects are targeting a price segment of ₹ 50-85 lakhs as opposed to earlier projects in the ₹ 20-25 lakhs price segment, ranging from one-bedroom to three-bedroom apartments.

While most of the projects continue to be in the southern part of India, there are new projects that are coming up in East and North India as well. Currently, there are 37 players in the Indian senior living industry, out of which 15 are serious players.

As per a recent study done by the Confederation of Indian Industry (CII), the current senior population in India is 116 million, constituting ~9% of the total population. Population above 60 years in India is the fastest growing demographic segment in the world, growing at 3.8% per annum. There are 90 senior living communities under development, of which 57 are operational. Current senior housing demand from urban and rural sectors is ~2.4 lakh houses and 51,500 houses, respectively, of which High Income Group (HIG) accounts for 60,000 houses and Middle Income Group (MIG) for 70,000 houses. The current senior housing supply from 37 senior living players across all formats and economic segments totals 20,000 units. 53% of senior living units are operational, which translates to around 10,500 functional units, followed by 40% under construction, which comes to 8,000 units, and 7% under planning and designing, comprising 1,400 units.

Our Concept and Positioning

1. Antara Dehradun

India has an increasing population of senior citizens who are well-travelled and are accustomed to a certain quality of life and infrastructure. Antara is a community that enables them to maintain the lifestyle they are habituated to.

Its flagship project named 'Antara Purukul' is spread over 14 acres of lush greenery in Dehradun. Antara is a luxurious, fully-integrated community designed around the safety, wellness and lifestyle requirements of progressive seniors above the age of 55. The promise of a better life at Antara for our residents is built on the pillars of a unique location, thoughtful design, a curated community and holistic wellbeing.

Antara thus is a 'continuous care' proposition – a comprehensive ecosystem that embraces and encourages the idea that life can be magical post 55. With a fulfilling lifestyle and myriad opportunities to explore, engage and enjoy, Antara is an impeccably designed, rigorously serviced community where life is savoured in the luxury of nature with like-minded people.

Antara has been carefully crafted by internationally renowned architects Perkins Eastman from New York



A resident enjoys a game of golf at Antara Dehradun



Drinks made better with a view of the valley at The Bar, Antara Dehradun

and Esteva & Esteva from Spain, with design execution support from Arcop Architecture Inc. and Studio Lotus. With construction partners such as Shapoorji Pallonji, Suri & Suri Constructions (civil works), Vadhera Builders (finishing works), Sterling Wilson (plumbing and fire fighting) and Jakson (electricals), Antara has been created with a unique design philosophy to encourage the utmost quality of living. This has been woven into the fabric of the community through an adherence to international standards of specific design intervention. With over 60,000 square feet of recreational and wellness spaces, and 197 apartments, Antara Senior Living brings a unique dimension to senior living in the Indian subcontinent.

A typical day at Antara starts with waking up to the picturesque views of Mussourie, going for a morning

Management Discussion and Analysis

Antara Senior Living



A community spiritual session with Vidyalohe at Antara Dehradun.

walk on jogging trail, followed by yoga/meditation. Residents like to enjoy breakfast at Antara's restaurant - Avika. Pre-lunch activities include a creative workshop of pottery and aqua aerobics at 'The Pool'. Residents also have the option of going for a trip to Dehradun in a shuttle. Evening activities include enjoying a movie at 'The Theatre', language learning in 'The Library' or social engagement activities facilitated by the Resident Engagement Team at Antara, in which residents can volunteer. Antara is equipped with sports facilities such as tennis and badminton courts, and golf lawns, which motivates residents to stay fit while playing their favourite sport. Antara offers various cuisine options in diverse spaces such as Avika, The Bar, The Veranda and Community Kitchen. We prioritise the Health of our residents and have set up The Antara Wellness Centre, which is managed by our in-house team and offers clinical as well as holistic wellness services to the residents.

2. Antara 2.0

In line with the Board's advice to work on a low-risk and investment-light business model, Antara has been working towards a development management/joint development model. Based on the learnings from Dehradun pertaining to cost, space efficiencies, design,

pricing and ownership models, the team has been able to curate a more efficient model at a competitive pricing while retaining the vision of providing quality of life to its residents, called Antara 2.0.

There are presently two such opportunities that Antara is exploring. The Company is confident of further improving and replicating this new business model in times to come.

Key Developments of FY2019

The key focus of the Company over the course of FY2019 has been twofold:

1. Antara Dehradun

- a. To achieve financial sustainability for community operations by improving operational efficiencies and attracting customer footfall to create additional revenues.
- b. To market and promote the 'Antara' brand and book apartments for its first residential senior living community at Dehradun ('Dehradun Community'). This is being done through an increased focus on acquiring clients through experiential tours supported by well-planned campaigns in print and digital media, advertorials

that have residents sharing their experiences and events at the Dehradun Community.

2. Growth initiatives

- a. To identify the right growth opportunities in line with the Board's mandate i.e., low-risk, capital-light opportunities based on the operator/joint development model. Such opportunities are being explored primarily in Delhi NCR and Mohali with credible developers. Antara will contribute in areas of its core strength i.e., sales & marketing, design development, project management and operations to ensure that the end product is in line with the Company's vision.



A panoramic view of Antara Dehradun

Business Performance: FY2019

Antara achieved the following results in FY2019:

1. **Sales:** By March 2019, Antara achieved 108 sales net of cancellations.
2. **Collection:** Antara's collections at the end of FY2019 totalled ₹ 290 crores.
3. **Resident Satisfaction (RSAT) Score:** Antara achieved an impressive 89.59% RSAT score in FY2019. The Resident Satisfaction Survey was launched in July 2017 and is conducted on a quarterly basis. The above performance is basis the weighted average score of four surveys conducted during the financial year.
4. **Team Engagement Score:** Antara's employee engagement score in FY2019 stood at 85.40%.

- II. While in one model, developer partners are responsible for the land and construction, in the other model, developer partners are only responsible for the land and Antara takes care of all other responsibilities.
- III. Antara's responsibility will be to provide design, quality assurance, sales and marketing support, and program management during the project and sales phase and independently run the community operations after handing over the apartments to the residents.
- IV. Antara will get fee and/or share of profit for services provided during the project phase as a percentage of revenue.

The focus of the Company will be to launch the sales of such opportunities under advanced stages of agreement signing and also achieve headway on the new growth ideas currently under evaluation.

Outlook for FY2020

Over the course of FY2020, Antara plans to work towards sales launch of the equity-light opportunities mentioned earlier and towards building a robust pipeline for future growth.

The broad contours of the new operator model are as under:

- I. Antara plans to invest ₹ 25-40 crore in Special Purpose Vehicles (SPVs) as reimbursable investment to kick-start sales and early construction needs, while taking care of its corporate cost expenses.

Antara's focus in FY2020 will remain on launching two equity-light models in Delhi NCR and Chandigarh and on building a robust pipeline for future growth.

Management Discussion and Analysis
Max SkillFirst



Rajender Sud
Chief Executive Officer



Anshuman Kamthan
VP & Key Account Manager- Max Bupa



Pushkar Saran
SVP & Head- Business Operations & Strategy



Sarika Swarup
VP & Head- Content



Simardeep Kaur
VP & Head - Human Resources



Sudhir Nair
VP & Key Account Manager - Max Healthcare



Sunil Solanki
VP & Key Account Manager - Max Life

Management Discussion and Analysis

Max SkillFirst

Max SkillFirst Limited (Max SkillFirst) is a wholly-owned subsidiary of Max India, founded with the vision of impacting the sales and service culture in India by being the most admired learning and development organisation. The Company employs 470 professionals and over 424 freelance trainers.

FY2019 Highlights

- In FY2019, Max SkillFirst imparted over 3.9 lakh hours of training to more than 1 lakh learners through 90,000+ sessions to both Max Group and other accounts.
- Max SkillFirst received the prestigious 'Great Place To Work' certification from the Great Place To Work Institute, India.
- During the fiscal, the Company reported revenues worth ₹ 52.9 crore (17% increase over FY2018) with Loss After Tax of ₹ 2.5 crore mainly due to impairment provision for investment held in Max SkillFirst's fully owned subsidiary, Max One (without impairment, Profit After Tax is ₹ 3.1 crore).
- Some of the Max SkillFirst's key financial ratios have changed significantly (more than 25%) in FY 2019 (without considering the impairment impact). For instance, debt to equity ratio (Loan/ Shareholders Fund) changed from -3.8 last year to -9.7 this year due to change in shareholders' fund because of positive net profits (without impairment) this year. Similarly, Return on Net Worth (Net Profit/Shareholders Fund) has also changed from -45% last year to -157% due to change in shareholders' fund because of positive net profits this year (without impairment). Operating profit Margin (Operating Profit/Operating Revenue) changed from 5.3% to 7.1% this year due to increase in operating profit on account of reduction in operations cost.

Content as Business Driver

Max SkillFirst has developed over 1,560 hours of content across all accounts by using instructional design principles and leveraging technology and innovation to create high business impact. Some of the accounts for which the Company curated content in FY2019 are as follows:

Max Life: Developed customised content for different channels - Agency, Insurance Marketing Firm (IMF), Customer Advisory Team (CAT), e-Commerce, Associate Partner Channel (APC) and Defence Channel in different formats, via classroom sessions, videos, simulation role plays, etc.

MBHI: Created e-learning content through videos for a mobile app and e-assessment modules on Health Recharge, Health Companion, Upselling and Cross-selling, and HDFC Net Banking for different channels - agency, bancassurance, Direct Sales Team (DST), tele-sales and renewals

MHC: Customised content by incorporating stakeholder's feedback and by adopting diagnostic methodology and infographics for need-based and frequently occurring scenarios for nursing, front office, Max Lab and pharmacy

B2B: Structured content for higher retention through e-learning platforms on topics such as sales and leadership skills, business processes and common induction programmes.

B2C: Created the Allied Healthcare lab technician digital course on the app with 100+ in-house learning videos and assessments

Technology

In FY2019, Max SkillFirst App-based self-learning modules and online knowledge assessment were launched for 1,700+ Agency Development Managers (ADMs), out of which more than 80% have successfully completed either one or more courses at Max Life. To replace classroom training for IC38 examination (IRDAI conducts IC38 examination and only successful candidates become agents) and Selling Skills Workshop (SSW) trainings for candidates and agents, respectively, at select offices, an initiative called 'Prayas' was launched to make these available online through the app. Through the CAT channel of Max Life, the Company launched online tests for producers and leaders, which were attempted by 80% of the users. At India Shelter, a leading housing finance company in the NBFC sector, an automated Interactive Voice Response (IVR) feedback mechanism through mobile calls was launched in October 2018 across all channels.

The Company also won the Brandon Hall Group Excellence Awards 2018 for the third year in a row - a Silver Award in the category of 'Best Use of Blended Learning' for 3D Smart Classroom for best-in-class user experience and learning

in Allied Healthcare Diploma Programme. These awards, often called the 'Academy Awards of Learning', are the most prestigious global awards in the learning and development domain and recognises the top organisations across the world.

People Culture

The organisation grew by 34% in terms of the headcount from 350 employees to 470 employees in FY2019. As part of its people-first culture, Max SkillFirst continued to build on the 4Cs of the Employee Value Proposition (EVP) – Career, Certification, Culture and Compensation. To drive the values, the Company strengthened the value-based Reward and Recognition (R&R) programme through a technology platform called Karma Notes where the organisation recorded more than 1,500 recognitions for its employees. Also, a communication series called 'Above & Beyond' was introduced to recognise the success stories of employees who demonstrate our core values – Excellence, Credibility, Sevabhav, Collaboration and Innovation.

In order to strengthen the quality of talent hired and link it to our EVP of 4Cs, the Company re-trained all the hiring managers on the methodology of value-based hiring and also launched a value-based psychometric tool for hiring and development of talent. Max SkillFirst launched a structured Organisation & Talent Review (OTR) for all the high performers (110 employees) with the objective of nurturing the future talent pipeline and developing key talent for retention and engagement. Through this process, a total of 30 'Best Bets' were identified. Their future career path was clearly mapped and they were given visibility about their next-level career role with clearly defined Individual Development Plan (IDPs).

New Training Initiatives

In FY2019, the Associate Partner Channel (APC) and Defence Channel trainings of Max Life were acquired and training roadmaps for these accounts were integrated and rolled out. Max SkillFirst supported the MLIC Agency in its 'office-in-office' and greenfield initiatives by hiring 86 new trainers as a part of its proprietary channel expansion plan. Max SkillFirst launched a vintage-based learning roadmap for front office and nursing personnel to equip them with role-specific challenges for MHC. Max SkillFirst on-boarded six new partners at the Bancassurance Channel of MBHI – HDFC Bank, HDFC Security Limited (HSL), HDFC Tele, Karur Vysya Bank, Ujjivan and Rattan India.

New Growth Initiatives

The Company entered into an exclusive partnership with Cohen Brown, an international leader whose courseware and tools have been utilised in more than 50 countries



Max SkillFirst receives the prestigious "Great Place to Work" certification from the Great Place to Work Institute, India

and translated into 15 languages, to deliver its leader-led and technology-enabled trainings through the ProPractice tool in prospective banks in India. Cohen Brown specialises in sales-and-service, cultural and behavioural change consultative and training processes for management, front-line, support/customer service units, and call centres.

Max SkillFirst also signed a three-year contract with India Shelter as the second external B2B client. In the B2C Allied Healthcare business, the Company launched its second direct-to-customer training facility of in FY2019 at Saket and also successfully achieved the student enrolment targets.

Outlook

Max SkillFirst has prepared itself to grow through different channels. After demonstrating success in the captive business from the Max Group, the Company is now gearing up to capture training assignments for both B2B and B2C markets externally. Max SkillFirst will also open the third B2C Allied Healthcare Centre in FY2020 to achieve growth in the financial year. In addition, the Company will grow aggressively in the financial services industry in India, with its exclusive partnership with Cohen Brown. The Company will also foray further into the B2C sector with imparting tech-led skills training.

Business Responsibility Review



Mohini Daljeet Singh, Chief Executive, Max India Foundation

For India to count itself as a progressive nation, access to quality healthcare for all sections of the society is a vital requirement. The government has sharpened its focus on public healthcare, which is evident from the increase in the healthcare allocations in the last union budget as well as from the launch of its flagship healthcare scheme, Pradhan Mantri Jan Arogya Yojana (PMJAY), also known as Ayushman Bharat. However, India's health needs are so enormous that they need support from other institutions such as NGOs, charities, corporates and so on. To aid this cause, Max India Foundation (MIF), the Corporate Social Responsibility (CSR) arm of the Max Group, has undertaken a series of successful healthcare and immunisation initiatives over the last 11 years. MIF's healthcare activities, in collaboration with 457 NGOs across 837 locations, have touched 34,41,689 individual beneficiaries until March 31, 2019.

MIF's journey has been characterised by the ethos of Sevabhav and Giving with Dignity to make a difference to the lives of the underprivileged. The Foundation has adopted a holistic solution model that hinges on four key pillars.

In FY2019, 45,282 individuals including women and children, benefitted from MIF's awareness programs on issues such as menstrual hygiene, hand washing, healthy eating, health and hygiene, dengue, vector-borne diseases, cancer and tobacco-related diseases

Awards & Accolades

- The 'Child Health Brand Award for the year 2018' at the India Health and Wellness Summit for FY2019
- The 'Swachh Bharat Award for Sustainable Sanitation and Waste Management' during the National Swachhata Summit and Awards 2019 on February 19, 2019
- MIF's CEO Mohini Daljeet Singh was awarded the 'CSR Leadership Award' at the 8th Edition of World CSR Day
- 'Asia's Greatest CSR Brand Award' at the Indo-Singapore Business & Social Forum 2018; Awards & Business Summit at Marina Bay Sands, Singapore
- The Award of 'Responsible Corporate for valuable contribution towards the environment' at the Global Environmental Conclave organised by Sunday Guardian in June 2018

PILLAR 1 PROVIDING QUALITY HEALTHCARE

Health needs are often immediate, yet there is a huge gap in accessibility and affordability for the underprivileged. Over the years, MIF has perfected various health interventions, which have been strategically designed with a blend of curative, preventive and promotive aspects to support the underprivileged sections of the society.

Immunisation Camps

This programme is meant for children in the age group 0-12 years who are 'Not Immunised' or are 'Partially Immunised'. Children are vaccinated against Measles, Mumps and Rubella (MMR), Diphtheria, Pertussis and Tetanus (DPT), Hepatitis-B and Typhoid as per the guidelines of the World Health Organisation (WHO).

Through its pan-India immunisation programme, MIF has administered 17,265 immunisation shots against nine diseases through 130 camps in five states across India.

Health Camps

Often, underprivileged people ignore niggling symptoms of ill health due to reasons such as losing a day's wage, travelling long distances or lack of funds for even a basic consultation. Women and the elderly are the worst affected.

MIF organises general and multi-speciality health camps for the underprivileged across urban slums and rural areas with the objective of providing quality healthcare in an accessible and affordable manner. A team of qualified doctors and paramedical staff conducts these camps where free consultations and medicines are provided.



Kids learn the importance of dental hygiene with MIF's awareness programs and health check-up camps

Business Responsibility Review

So far, 1,58,700 patients have been treated through 743 such camps across India.

Surgeries and Treatment

Escalating expenses makes it impossible for the underprivileged to undergo expensive surgeries. MIF helps

Six months after Alka was born, her father, a low-income farmer from Bihar, detected a lump in her hand. Alarmed, he rushed her to a local doctor who prescribed a homeopathic treatment. When this didn't work, Alka's family tried allopathic medicines but to no avail. Finally, when Alka was rushed to a health camp in Nalanda, a tumor was confirmed. The infant was taken to AIIMS Patna where she underwent surgery on December 17, 2018. Because of her tender age, chemotherapy and radiation were ruled out and post-surgery, the lump returned. Determined to get rid of the tumor, the father cobbled all his resources and approached MIF through Cankids, a non-profit organisation dedicated to treatment and care for children with cancer in India. MIF facilitated the surgery and today, Alka is tumour free.



Little Alka gets a renewed lease on life through a surgery facilitated by MIF

them get a new lease of life by supporting 1,300 high-end surgeries, such as pediatric, cardiac, brain tumour, reconstructive, neuro, orthopedic and cataract surgeries, besides oncology care and renal transplants. This has helped beneficiaries lead comfortable and healthier lives with quality medical support, thus preventing further poverty.

Health Centres

In pursuance of providing quality healthcare to the underprivileged, MIF has set up health centres in Uttarakhand and Punjab in partnership with like-minded NGOs. Approximately 11,138 patients have been treated so far at these health centres this year.

Provision of Free Artificial Limbs and Polio Callipers to the Needy

The Artificial Limbs & Polio Callipers (ALC) camps aim to improve the mobility of physically challenged individuals. This enhances their self-confidence and has a positive impact on their economic well-being, thereby enabling them to live their lives with dignity.

Through this year's ALC camp organised by MIF at Ropar in Punjab, 162 underprivileged patients received prosthetic limbs and free treatment. This camp was organised in collaboration with the NGO Manav Seva Sannidhi. So far, MIF has provided 5,588 deprived patients with artificial limbs and polio callipers, thus transforming their lives.

For Para Commando Havaldar Hans Raj of Samba, Jammu, the journey to Ropar was one of hope and healing. This brave soldier lost his leg during an army operation in Sri Lanka 22 years ago. Though the Army had provided an artificial limb,



MIF's Artificial Limbs & Polio Callipers camp in Ropar, Punjab helped 162 patients receive prosthetic limbs

it had been giving Hans Raj trouble. When he heard about MIF's Camp in Ropar, he decided to undertake this life-transforming journey. Recalling the landmine blast incident that rendered him physically challenged, Havaladar Hans Raj said, "I'm proud to have served the nation as a soldier. The Army took care of all my financial and physical needs, but

over time, I realised that I needed to replace my artificial limb. Today, I'm glad I decided to make this journey because I am now pain free and as independent as before. It is the efforts of camps like these that make you proud to be a part of this country."

PILLAR 2 CREATING AWARENESS ON HEALTH AND HYGIENE

General Health Awareness

MIF believes that awareness is the first step towards achieving wellness and good health, which yields better outcomes while saving huge expenses on treatment. Hence, health awareness has formed an integral part of MIF's work on Preventive Healthcare. MIF has been proactively running awareness programmes in different areas. In the last financial year, 45,282 beneficiaries, including women and children, benefitted from awareness on issues such as menstrual hygiene, hand washing, healthy eating, health and hygiene, dengue, vector-borne diseases, cancer and tobacco-related diseases. These are effectively addressed through multiple infotainment approaches such as films, flip books, talks, demonstrations, puppet shows, etc.

Conducting Breast Cancer Awareness Campaigns

Aimed at fostering a spirit of courage, grit and determination, MIF and Diva restaurants, Delhi, partnered for a month-long 'Celebrate Me' campaign. This campaign highlighted the courage of women who fought the dreaded disease of cancer and emerged victorious. It stressed the importance of timely treatment and preventive measures against the disease.

Walking/Running for Good Health

MIF collaborated with CanSupport to bat for cancer survivors and spread awareness via 'Walk for Life' in February 2019 at Janpath, New Delhi. In the same month, MIF also sponsored Ropar Half Marathon in Punjab. Centenarian marathon runner Mr. Fauja Singh graced the occasion with his presence and encourage the participants to exercise for good health.

MIF Scores High with Anti-tobacco Campaign

MIF, together with Sambandh Health Foundation and Delhi Police, worked towards building awareness on the perils of tobacco and strived to end the tobacco menace. MIF's anti-tobacco display boards were put up at New Delhi Railway Station last December to alert the masses.

The Impact so far in Delhi NCR

- A total of 42,415 challans have been issued
- 394 police officers have been trained
- 397 principals have been sensitised to the Cigarettes and Other Tobacco Products Act (COTPA)
- Anti-tobacco puppet shows were organised in schools for 1,113 underprivileged children

PILLAR 3 PROMOTING A SUSTAINABLE AND ECO-FRIENDLY ENVIRONMENT

Environment Tips

Good environment is a prerequisite for good health. MIF has been spearheading structured monthly awareness campaigns, which serve the dual purpose of sensitising people about the issue as well as suggesting various practical action points to improve the environment. Environment tips are shared with key stakeholders including NGO partners as well as employees of the Max Group. The objective is to increase awareness on improving green cover, enhancing

oxygen supply as well as arresting soil erosion, thereby leaving a greener planet for future generations.

Drug De-addiction Initiative

It is estimated that around 7.21 crore people in India are affected by drugs. Drug abuse is emerging as a major health hazard, with a sizeable number of youth caught in this menace. MIF has been supporting a drug de-addiction counselling centre for the youth of Baramulla in Jammu & Kashmir since April 2016. Started and anchored by the

Business Responsibility Review

Indian Army, MIF organises seminars, recreational activities, individual and group counselling sessions, motivational talks and occupational rehabilitation. In FY2019, the drug de-addiction programme benefitted 938 youth.

Nutrition

India is home to over one-third of the world's stunted children. Some of the partners MIF works with are engaged with malnourished children for whom getting two meals a day is a huge struggle. The mid-day meal or nutritious snack offered through MIF's support may be the only wholesome meal of the day for them. The Foundation made over 283 meals possible in FY2019.

Sanitisation Drive in Noida

As part of our initiative to usher good health and sanitisation, a sanitisation drive was initiated across a slum in Sector 16

Noida. The following actions were undertaken:

- 2,000 dustbins were distributed, and garbage collection was facilitated in the area, benefitting 10,000 people
- 300 children were given anti-Typhoid vaccine
- Five health camps were conducted, including general, dental and gynecological check-ups, benefitting 395 people

Tree Plantation Drive in Delhi-NCR

Approximately 2,256 saplings were planted by MIF in the Delhi-NCR region to create a more pollution-free and sustainable environment.

PILLAR 4 ADOPTING VILLAGES

MIF has adopted three villages – Rail Majra in Punjab, and Dhakrani and Purukul in Dehradun district, Uttarakhand. The Village Adoption Programme aims at creating model villages to enhance the quality of life of the underprivileged in the area.

Health Facilities

Due to inadequate health facilities in these villages, appropriate interventions in the form of health camps, health centres, eye check-ups and immunisation camps were provided at regular intervals. The range of health services helps villagers avail quality services from specialists, otherwise beyond their reach. MIF's nine multi-speciality health camps impacted 2,394 beneficiaries. MIF also donated 350 blankets to underprivileged beneficiaries in the presence of local Panchayat members, giving them warmth during the severe winter months.

Environment Conservation and Preservation

MIF has been sensitising villagers about environment conservation and preservation. Tree plantation drives are almost an annual affair across all three villages. In particular, MIF has planted 2,500 fruit saplings of Mango, Lychee, Guava,

Banana, etc. in Dhakrani village with the help of the NGO Sustainable Green Initiative. The fruit trees planted will further be nurtured and maintained by the residents themselves.

Hygiene Improvement through Solid Waste Management

Waste management continues to be an issue of serious concern. MIF initiated activities for the solid waste management system by implementing clean-up drives, awareness programmes and a solid waste collection and disposal system. The villagers were regularly sensitised on the importance of cleanliness and segregation of waste. As part of this project, a composting unit was set up in Dhakrani with 8,000 kg of compost produced this year. Segregation of waste was done to ensure that the organic waste does not end up in landfills but can be composted and used by farmers in the village.

Additionally, 97 bi-weekly health camps for women and children with the NGO Bella Healthcare were conducted, which helped 5,478 beneficiaries in total.

Financial Education and Volunteer Activity

Under the village adoption project, Max Life Insurance employees and agent advisors visited a total of 900 households at Dhakrani village, re-iterating the benefits of health, hygiene, waste management and sanitation, while simultaneously introducing the residents to financial literacy. Further, the importance of 'Swachh Raho, Swasth Raho' was highlighted during these visits.

Sanitary Pad Production Unit for local women

With the objective of promoting menstrual health and hygiene among women from poor/marginal economic backgrounds, MIF set up a sanitary napkin manufacturing unit for the local women in Dhakrani by donating relevant machinery and materials required. The unit made it easy and convenient for women to access hygienically produced pads. Manufactured by women and for women, these sanitary pads are low cost and easily available. So far, 45,000 sanitary napkins have been produced by the unit.

Sanitation and Sewage Project

Dhakrani village had no sewage system in place. Wastewater spilled onto the garbage spread on streets and polluted the sources of drinking water supply. To address the issue, a Sewage Treatment Project is underway. Around 1,30,000 ft of pipeline has been laid. Sand filters and septic tanks are being built from which wastewater will be treated to be fit for agricultural purpose. Four phases of this project have been completed. In phase five of this project, bio-digester technology tanks are being connected to 400 individual households.

Skill Development for the Youth

MIF has set up a Life Skills Training Centre at Dhakrani in partnership with the NGO Head Held High (HHH) Foundation. The initiative provides life skills training to rural school dropouts through a six-month intensive programme. Besides basic English speaking, Math and Computer skills, the local youth are trained in social and soft skills. Their confidence is further boosted with a concurrent personality development course. With the third batch of 22 youth completing this course by June 2019, MIF has successfully trained 74 youngsters as a part of this initiative.

Purukul Village Adoption

Four multi-speciality health camps were held at Purukul Gram Sabha with Max Super Speciality Hospital, Dehradun.

Max Hospital doctors, marketing and nursing staff helped 265 patients at the camps.

A cleaning vehicle continues to be operational in Purukul Gramsabha, along with cleaning staff who work daily to keep the streets and area clean.

MIF also provides food and nutrition support to the children of Purukul Youth Development Society (PYDS), an English-medium day school for underprivileged children. This has helped students get a balanced diet and stay healthy and active.

Rail Majra Village Adoption

As part of its healthcare initiatives, MIF founded the Health Centre at village Rail Majra near the Max Speciality Films factory in Punjab in 2008. This is the oldest and the first health centre that caters to the medical needs of the villagers of Rail Majra and surrounding villages. Through this initiative, MIF has been able to provide access to quality healthcare to 5,280 beneficiaries. In addition, MIF also organised multi-speciality health camps, which impacted 1,048 beneficiaries.

The bane of drug abuse in Punjab, with over 2.3 lakh drug users, has acquired the proportion of a pestilence that has shaken the entire society in the state. To address this critical issue, MIF, in collaboration with United Nations Office on Drugs and Crime (UNODC), organised a drug de-addiction awareness drive in Rail Majra in August 2018. Dr. Rekha Gupta and Dr. SMS Sidhu conducted the session on drug abuse for school children, factory workers, antenatal mothers and general population to sensitise them to this issue and its preventive measures.

An interactive science lab was set up for students of the Rail Majra Government School. The first batch of 12th class students passed with flying colours, with girls topping the class. As a token of encouragement, the Top 4 girl students were rewarded by MIF.

THE MIF IMPACT

MIF, with its 360-degree approach towards holistic healthcare, has been able to make a genuine difference in the lives of the underprivileged. The decade-long interventions on ground have been successful in addressing key challenges of low-quality care, lack of health awareness and limited access to health facilities. Further, the focus on health awareness has significantly

helped in inculcating behavioural change in the beneficiaries, who are now adopting healthy practices to safeguard their health. Today, MIF has been able to win the trust and confidence of the community and bring smiles on their faces. In its own small way, MIF has been able to make a humble contribution towards nation building through a healthier population.

Corporate Governance Report

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Corporate Governance Report

Our Corporate Governance Philosophy

Max India Limited is committed towards maintaining the highest standards of Corporate Governance and recognises that in today's environment, it is a critical driver for achieving excellence, attracting high-quality talent, and optimising capital sourcing and allocation across the Group.

To ensure strong discipline in capital management, robust performance management of its businesses and sustained value creation across all stakeholders, Max Group embarked upon a journey a few years ago to implement a comprehensive governance framework across its companies, including Max India. This entailed implementation of various transformational initiatives across three key facets of governance:

▪ Board Architecture

The Boards in each of the Group's operating companies were re-configured to create the right composition with an ideal number of independent Directors, ensuring board diversity with respect to functional and industry expertise, having an active and engaged lead Director on each Board, and separating the role of the CEO and the Chairman. In addition, a clear role for the Board has been articulated in areas such as strategy formulation, monitoring financial health, leadership development, risk management and succession planning.

▪ Board Processes

Various people processes of the Board have been optimised (viz. on-boarding of Directors, Board education and business engagement, enabling independence, adherence to the code of conduct etc.). Key operational aspects such as ensuring a comprehensive and well-balanced meeting agenda, timely and adequate flow of information to the Board, inviting external speakers to conduct sessions for the Board, are in place to ensure that the Board time is spent optimally on all critical areas of the business. In addition, detailed Standard Operating Procedures are in place to ensure that the Board materials are comprehensive, crisp and relevant for strategic discussions.

All material matters to be considered by the Board are reviewed in specific sub-committees of the Board that are composed of a balanced mix of executive, non-executive and independent Directors, who add value to, and are specifically qualified for the particular sub-committee. Detailed charters are published for every sub-committee of each Board.

▪ Board Effectiveness

To enhance 'Board Effectiveness' and assess the Board's performance, an annual evaluation of Board Members is conducted and inter-Company Board movements are effected to ensure that each Board is well-equipped and engaged to take the right decisions for the business. In addition, various mechanisms have been implemented to improve the performance of the Board, such as establishing clear standards of conduct & behaviour, setting a calendar of key governance interventions such as strategy setting sessions, risk management sessions, consequence management etc.

Board of Directors

The Board of Directors of your Company as on March 31, 2019, comprised of 8 (eight) members with 1 (one) Executive Director and 7 (seven) Non-Executive Directors of which 4 (four) are Independent Directors including 1(one) Woman Independent Director. Mr. Anajit Singh, Promoter of the Company was appointed as a Non Executive Director as well as the Chairman of the Company with effect from April 1, 2019. Mr. Rahul Khosla, who was Chairman of the Company, has resigned from the Board of Directors of the Company effective on the closing of business hours on March 31, 2019. Board has evaluated the independence of directors and opines that the independent directors fulfill the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and are independent of the management.

None of the Director is a member in more than ten committees or the Chairman of more than five committees, across all public companies in which he / she is a Director.

The details of the Directors and their attendance at the Board meeting during the year 2018-19 and at the last annual general meeting, including the details of their Directorships and Committee Memberships as of March 31, 2019 are given below:

Name of Director	Number of Board meetings held during the year 2018-19		Attendance at last AGM held on September 25, 2018	Number of Directorships in other companies as on March 31, 2019*	Number of committee positions held in other public companies as on March 31, 2019**		Directorships in other listed Companies along with category of directorship
	Held	Attended			Chairman	Member	
Mr. Rahul Khosla [Chairman] DIN:03597562	7	6	Yes	5	-	-	NIL
Mr. Mohit Talwar [Managing Director] DIN:02394694	7	7	Yes	7	1	3	a) Max Financial Services Limited, Managing Director b) Max Ventures and Industries Limited, Non-Executive Director & Vice Chairman
Mr. Ashok Kacker [Independent Director] DIN:01647408	7	7	Yes	8	1	1	a) KSS Limited, Independent Director b) Max Ventures and Industries Limited, Independent Director
Mr. Ashwani Windlass [Non-Executive Director] DIN:00042686	7	6	No	6	4	-	a) Hindustan Media Ventures Limited, Independent Director b) Jubilant Foodworks Limited, Independent Director c) Max Financial Services Limited, Non-executive Director d) Vodafone Idea Limited, Independent Director

Corporate Governance Report

Name of Director	Number of Board meetings held during the year 2018-19		Attendance at last AGM held on September 25, 2018	Number of Directorships in other companies as on March 31, 2019*	Number of committee positions held in other public companies as on March 31, 2019**		Directorships in other listed Companies along with category of directorship
	Held	Attended			Chairman	Member	
Mr. Dinesh Kumar Mittal [Independent Director] DIN:00040000	7	7	Yes	12	1	7	a) Balrampur Chini Mills Limited, Independent Director b) Max Financial Services Limited, Independent Director c) Bharti Airtel Limited, Independent Director d) Max Ventures and Industries Limited, Independent Director e) Trident Limited, Independent Director
Mrs. Tara Singh Vachani @ [Non Executive Director] DIN:02610311	7	3	No	11	-	-	NIL
Mr. K. Narasimha Murthy# (Independent Director) DIN:00023046	4	2	N.A.	9			Max Ventures and Industries Limited, Independent Director
Mrs. Sharmila Mansur Ali Tagore # (Independent Director) DIN:00244638	2	1	N.A.	3	-	1	NIL

* Excluding Foreign Companies and Companies formed under Section 8 of the Companies Act, 2013

** Represents Memberships/Chairmanships of Audit Committee and Stakeholders Relationship Committee of Indian Public Limited Companies, other than companies formed under Section 8 of the Companies Act, 2013 / Section 25 of the Companies Act, 1956.

Mr. K. Narasimha Murthy and Mrs. Sharmila Tagore were appointed as Additional Directors holding the position of Independent Directors on the Board with effect from December 24, 2018 and February 26, 2019, respectively.

^ Mr. Rahul Khosla resigned from the Board effective closing business hours on March 31, 2019.

@ Belongs to persons forming part of promoter group of the Company.

Details of Board meetings held during the year ended March 31, 2019:

There were seven Board Meetings held during the financial year, details of which are as under:

S.No.	Date	Board Strength	No. of Directors present
1	May 29, 2018	6	5
2	August 10, 2018	6	6
3	November 2, 2018	6	6
4	December 24, 2018	7	6
5	February 11, 2019	7	6
6	February 26, 2019	8	3
7	March 22, 2019	8	7

There were no inter-se relationships between our Board members, as on March 31, 2019. Mr. Analjit Singh who was appointed as director with effect from April 1, 2019 and Mrs. Tara Singh Vachani are related to each other - Mrs. Tara Singh Vachani is daughter of Mr. Analjit Singh.

The details of equity shares of ₹ 2/- each held by Directors of the Company as on March 31, 2019 are: (a) Mr. Rahul Khosla - 1,94,292 (One lakh ninety four thousand two hundred ninety two) shares (b) Mr. Ashwani Windlass - 1,62,850 (One lakh sixty two thousand eight hundred and fifty) shares, (c) Mr. Mohit Talwar - 3,15,467 (Three lakhs fifteen thousand four hundred sixty seven) shares, (d) Mrs. Tara Singh Vachani - 1,00,000 (One lakh) shares and Mr. K. Narasimha Murthy - 5,000 (Five thousand) shares. Apart from this, none of the non-executive directors of the Company hold any shares of the Company.

How do we make sure our board is effective?

The calendar for the Board and Committee meetings is fixed in advance for the whole year, along with significant agenda items. At least one Board meeting is held within 45 days from the close of first three quarters and within 60 days from the close of last quarter to review financial results and business performance and the gap between two Board meetings does not exceed 120 days, as required by law. Apart from the aforesaid four meetings, additional Board meetings are also convened to meet business exigencies. Matters of exigency are approved by the Directors by resolutions passed by circulation as permissible under the provisions of the Companies Act, 2013 and Secretarial Standards on meetings of the Board of Directors (SS-1) and the same are also duly noted in the next meeting.

Generally, meetings of Committees of Board are held prior to the Board meeting. The Chairpersons of the respective Committees brief the Board about the proceedings of the Committee meetings and its recommendations on matters that the Board needs to consider and approve.

All Agenda items are accompanied by comprehensive notes on the related subject and in certain areas such as business plans/business reviews and financial results, detailed presentations are made to the Board members. The materials for the Board and committee meetings are generally published (electronically in a secure dedicated portal) seven days in advance. The Board is regularly updated on the key risks and the steps and process initiated for reducing and, if feasible, eliminating various risks. Business risk evaluation and management is an ongoing process with the Company.

To enable the Board to discharge its responsibilities effectively, members of the Board are apprised on the overall performance of the Company and its subsidiary(ies)/joint ventures at every Board meeting. Senior Management is invited to attend the Board meetings to provide detailed insight into the items being discussed.

Key Board qualifications, skills, expertise, competence and attributes

Max India's Board comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective contribution to the Board and its committees. The Board members are committed to ensuring that the Company is in compliance with the highest standards of corporate governance.

The table below summarises the key qualifications, skills, expertise, competence and attributes identified by the board of directors as required in the context of its business and sector for it to function effectively.

Corporate governance	Maintaining board and management accountability, protecting shareholder interests, and observing appropriate governance practices
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Corporate Governance Report

Leadership	Leadership experience in developing talent, planning succession, and driving change and long-term growth. Practical understanding of managing organisations, processes, strategic planning, and risk management.
Strategic thinking	Forming strategies to analyze the marketplace and identify opportunities to stimulate growth, considering the impact of key decisions, offer contingency plans and risk mitigation, bearing in mind the stakeholders' best interests.
Diversity	Representation of gender, ethnic, geographic, cultural, or other perspectives that expand the Board's understanding of the needs and viewpoints of our customers, partners, employees, governments, and other stakeholders worldwide
Financial acumen	Proficiency in financial management, financial reporting processes, or experience in actively supervising the finance function.
Business Growth	Identifying market trends, developing strategies for growth of business. Building brand awareness and equity and enhancing enterprise reputation. Ability to assess investment or acquisition decisions, evaluation of operational integration plans.
Mergers and Acquisitions	Experience acquisitions and other business combinations, with the ability to assess 'build and buy' decision, accurately valuing the transactions and evaluating operational integration plans.

Code of Conduct

In compliance with Regulation 26(3) of "Listing Regulations", the Company had adopted a Code of Conduct for the Directors and senior management of the Company ('the Code').

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the aforesaid code was amended by the Board of Directors in its meeting held on March 22, 2019 w.e.f. April 01, 2019, a copy of which is available on the Company's website www.maxindia.com.

All the members of the Board of Directors and senior management personnel had affirmed compliance with the above mentioned regulation including the Code for the financial year ended March 31, 2019 and a declaration to this effect signed by the Managing Director forms part of

this report as Annexure- I.

Pursuant to the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended, the Company has adopted an Insider Trading Policy for prevention of insider trading, which is applicable to all Designated Persons including Promoters, Directors, Key Managerial Personnel, Designated employees and other Connected Persons. Pursuant to SEBI (Prohibition of Insider Trading (Amendment) Regulations, 2018, the aforesaid policy was amended by the Board of Directors in its meeting held on March 22, 2019 w.e.f. April 01, 2019. The said policy is available at Company's web-site at www.maxindia.com

Committees of the Board

The Board of Directors of the Company had constituted the following Committees:

Audit Committee:

As on March 31, 2019, this Committee comprised of Mr. Ashok Kacker (Chairman), Mr. D.K. Mittal and Mr. Mohit Talwar as members of the Committee. All members of the Committee, except Mr. Mohit Talwar, are Independent Directors. Mrs. Tara Singh Vachani is a permanent invitee to the Committee. All the members of Audit Committee are financially literate and the Chairman possesses the required accounting and financial management expertise. Mr. V. Krishnan, Company Secretary of the Company acts as the Secretary to this Committee.

The scope of the Audit Committee has been defined by the Board of Directors in accordance with Regulation 18 and Part C of Schedule II of the Listing Regulations and applicable provisions of the Companies Act, 2013. This Committee inter alia, recommends appointment and remuneration of statutory auditors, secretarial auditors and internal auditors; reviews Company's financial reporting processes and systems and internal financial controls, financial and risk management policies, Company's financial statements, including annual and quarterly financial results and financial accounting practices & policies, approval or any subsequent modification of transactions with related parties, scrutiny of inter- corporate loans and investments and reviews the functioning of the whistle blower mechanism.

Representatives of Internal Auditors and Statutory Auditors are invited to the meetings of the Committee, as and when required. Mr. Ashok Kacker the Chairman of the Audit Committee, was present at the last Annual General Meeting.

Six Committee meetings were held for the year ended March 31, 2019 and all the members of the Committee attended the said meetings.

Nomination and Remuneration Committee:

As on March 31, 2019, this Committee comprised of Mr. Ashok Kacker (Chairman), Mr. D.K. Mittal and Mr. Rahul Khosla as members of the Committee. All the members were Independent Directors, except Mr. Rahul Khosla, who was a Non-executive non-independent Director. Mr. Mohit Talwar, Managing Director of the Company is an invitee to the Committee. Consequent to the resignation of Mr. Rahul Khosla from the Board of Directors of the Company with effect from March 31, 2019, he ceased to be a member of this Committee as on that date. Mr. Anajit Singh, who has been appointed as a Non Executive Director and Chairman of the Board of Directors of the Company, was co-opted as a member to the Nomination and Remuneration Committee with effect from April 1, 2019.

The scope of the Nomination and Remuneration Committee has been defined by the Board of Directors in accordance with Regulation 19 and Part D of Schedule II to the Listing Regulations and applicable provisions of the Companies Act, 2013. This Committee inter alia, evaluates the compensation and benefits for Executive Directors and Senior Management personnel at one level below the Board, recruitment of key managerial personnel and finalisation of their compensation, induction of Executive and Non-Executive Directors and fixing the method, criteria and quantum of compensation to be paid to the Non-Executive Directors. It also administers the ESOP Scheme(s) of the Company including allotment of equity shares arising from exercise of stock options.

Six Committee meetings were held for the year ended March 31, 2019 and all the members of the Committee attended the said meetings.

Remuneration policy & Criteria of making payments to Executive and Non-Executive Directors including Independent Directors

During the year 2018-19, the Company paid sitting fees of ₹ 1,00,000/- (Rupees One lakh only) per meeting to its Non Executive Directors for attending the meetings of Board and Committees of the Board and separate meeting of Independent Directors.

The Company does not have any pecuniary relationship or transactions with the Non-Executive Directors of the Company other than payment of the sitting fees for

attending meetings and certain ESOP granted to Mr. Rahul Khosla, Non-executive Director, pursuant to the Scheme of Arrangement described in detail in subsequent paragraphs.

Details of the sitting fees paid to Non Executive Directors of the Company during 2018-19 are as under:

S. No.	Name of Director	Sitting Fee paid (In ₹)
1	Mr. Rahul Khosla	17,00,000/-
2	Mr. Ashwani Windlass	18,00,000/-
3	Mr. Ashok Kacker	33,00,000/-
4	Mr. D.K. Mittal	27,00,000/-
5	Mrs. Tara Singh Vachani	7,00,000/-
6	Mr. K. Narasimha Murthy	2,00,000/-
7	Mrs. Sharmila Tagore	1,00,000/-

The remuneration payable to the Managing Director of the Company, including performance incentives and grant of ESOPs, were determined from time to time by the Nomination and Remuneration Committee and approved by the Board of directors within the limits approved shareholders of the Company in terms of applicable provisions of the Companies Act, 2013 read with the Company's remuneration policy. The details of the remuneration policy are part of the Board's Report attached as part of this Annual Report.

Details of the remuneration paid to Mr. Mohit Talwar as the Managing Director for the period from April 1, 2018 to March 31, 2019 are as under:

Description	Amount in ₹
Salary	79,56,168
Benefits (Perquisites)	23,58,642
Performance Incentive/special payments	98,67,506
Retirals	-
Service contract	5 years
Notice period	3 months
Stock options granted (in numbers)	61,200

The severance fee, if any, shall be payable to him as per the provisions of the Companies Act, 2013. The Variable Compensation/ Performance Incentive shall be paid to him basis his performance rating and company's performance within the limits approved by the shareholders of the Company.

In terms of the Scheme of Arrangement amongst Max Financial Services Limited (formerly Max India Limited), the Company (formerly Taurus Ventures Limited) and Max Ventures and Industries Limited (formerly Capricorn Ventures Limited) as sanctioned by the Hon'ble High Court of Punjab and Haryana at Chandigarh vide its Order dated

Corporate Governance Report

December 14, 2015, following directors were entitled to receive stock options, proportionate to the unvested stock options held by them in Max Financial Services Limited as of Effective Date:

- Mr. Rahul Khosla -19,46,278 (Nineteen lakh forty six thousand two hundred and seventy eight)
- Mr. Mohit Talwar - 5,22,282 (Five lakh twenty two thousand two hundred and eighty two)

Further, the Company had granted (i) 25,394 options on November 9, 2016, (ii) 22,155 options on April 1, 2017 and 61,200 options on April 1, 2018 with graded vesting to Mr. Mohit Talwar.

Out of 19,46,278 options vested with Mr. Rahul Khosla, he has exercised 12,81,278 options and 12,81,278 shares were allotted as of date of this report. Remaining 6,65,000 options, which were not exercised by him, lapsed in terms of ESOP plan of the Company after he ceased to be the director of the Company effective from March 31, 2019.

Similarly, out of 4,76,021 options vested with Mr. Mohit Talwar, he has exercised 3,65,271 options and 3,65,271 shares were allotted as of date of this report.

No other Director was granted any stock options during the year 2018-19.

The performance evaluation of Independent Directors is detailed in the Board's Report attached as part of this Annual Report.

Stakeholders Relationship Committee:

As on March 31, 2019, this Committee comprised of Mr. Ashwani Windlass, Non-Executive Director (Chairman), Mr. Ashok Kacker and Mr. Mohit Talwar as members of the Committee. Key responsibilities of this Committee are formulation of procedures, in line with the statutory guidelines, for ensuring speedy disposal of various requests received from shareholders from time to time and redressal of shareholders' and investors' complaints/grievances. The Committee also approves the transfer and transmission of securities; and issuance of duplicate certificates etc.

Six Committee meetings were held for the year ended March 31, 2019 and all the members of the Committee attended the said meetings.

Mr. V. Krishnan, Company Secretary is the designated Compliance Officer.

The Committee has delegated the authority to effect transfer and transmission of shares upto 1000 per folio to Company Secretary / Compliance Officer, and such transfers are subsequently ratified in next meeting of the Committee. The Company has normally attended to the Shareholders/Investors complaints within a period of 7 (seven) working days except in cases which were under legal proceedings/disputes. During the financial year ended March 31, 2019, One (1) complaint/query was received by the Company, which was general in nature and the same had resolved to the satisfaction of the shareholder. There is no pending complaint in the Company

Investment & Finance Committee:

This Committee currently comprised of Mr. Ashwani Windlass (Chairman), Mr. Ashok Kacker, Mrs. Tara Singh Vachani, Mr. D.K. Mittal and Mohit Talwar. The responsibilities of this Committee are to review financial performance of businesses carried on by the Company, its subsidiaries and Joint Venture Company, review and recommend revenue and capital budgets of the Company and its subsidiaries and Joint Venture Company, review and recommend various fund raising options and financial resources allocation to Company's subsidiaries and Joint Venture Company and to review proposals on business restructuring, mergers, consolidations acquisitions, investments, establishment of joint ventures and divestments of any businesses, etc.

Meetings & attendance during the year ended March 31, 2019:

Director	Number of meetings held	Number of meetings attended
Mr. Ashwani Windlass	06	06
Mr. Rahul Khosla *	06	06
Mr. Ashok Kacker	06	06
Mrs. Tara Singh Vachani	06	03
Mr. D. K. Mittal	06	06
Mr. Mohit Talwar	06	06

* Mr. Rahul Khosla ceased to be a member of this Committee effective March 31, 2019.

Corporate Social Responsibility Committee

As on March 31, 2019, this Committee comprised of Mr. Ashok Kacker, Mr. D.K. Mittal and Mrs. Tara Singh Vachani. The Chairman of the CSR committee is elected by the members at the meeting. The responsibilities of this

Committee are as enshrined in the Companies Act, 2013 read with Company's CSR Policy, as amended from time to time. During the year under review, this Committee met once on August 10, 2018, in the presence of all its members.

Meetings of Independent Directors

Independent Directors had a separate meeting on May 29, 2019 whereat the following agenda items were considered, in terms of Schedule IV to the Companies Act, 2013 and provisions of the Listing Regulations:

- (a) Evaluation of the performance of Non-Independent Directors and the Board as a whole;
- (b) Evaluation of the performance of Chairperson of the

Company; and

- (c) Assessment of the quality, quantity and timeliness of flow of information between the Company management and the Board.

Further, the Company has made familiarisation programmes to familiarise Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. The detail of such familiarisation programme is available at the following link of website of the Company www.maxindia.com/wp-content/uploads/2017/04/Details-of-familiarisation-programmes-for-Independent-Directors.pdf

General Body Meetings

The details of General Body Meetings held during last three financial years and Special Resolutions passed by the shareholders at the said meetings are as under:

Type of meeting	Date & Time	Special Resolutions passed
AGM	September 27, 2016 11:30 AM	<ul style="list-style-type: none"> ▪ Approval for appointment of Mr. Mohit Talwar as Managing Director of the Company for a period of five years from January 15, 2016 upto January 14, 2021 and approval for the payment of the remuneration to him for initial period of three years from January 15, 2016 upto January 14, 2019. ▪ Approval for "Max India Employee Stock Plan - 2016".
EGM	June 10, 2017 2:30 PM	<ul style="list-style-type: none"> ▪ Issuance of Convertible Warrants to Promoter / Promoter Group entities on preferential basis
AGM	September 26, 2017 11:30 AM	<ul style="list-style-type: none"> ▪ Approval for partial modification of the special resolution passed at the first AGM held on September 27, 2016 for revision in the remuneration payable to of Mr. Mohit Talwar Managing Director of the Company for the period until March 31, 2020
AGM	September 25, 2018 11:30 AM	<ul style="list-style-type: none"> ▪ No special resolution passed in the AGM

The aforesaid general body meetings were held at the Registered Office of the Company at 419, Bhai Mohan Singh Nagar, Village Railmajra, Tehsil Balachaur, District Nawanshahr, Punjab- 144 533.

Corporate Governance Report

Postal Ballot and Postal Ballot Process

From April 1, 2018 till the date of this report, the Company had passed following two Special Resolutions through postal ballot processes:

Date of declaration of Postal Ballot Result	Reso- lution No.	Subject matter of the resolution (s)	Votes in favour of the resolution		Votes against the resolution	
			No. of votes	% of total votes	No. of votes	% of total votes
February 11, 2019	1	Shifting of Registered Office of the Company from the State of Punjab to the State of Maharashtra and carrying other consequential changes in Memorandum of Association of the Company	19,64,72,379	99.99	6,880	0.00
May 23, 2019	2	Divestment of equity shares of Max Bupa Health Insurance Company Limited, a material subsidiary of the Company.	20,83,85,359	94.13	1,29,88,721	5.87

During the conduct of the Postal Ballot, the Company had in terms of Regulation 44 of the Listing Regulations provided e-voting facility to its shareholders to cast their votes electronically through the National Securities Depository Limited (NSDL) e-voting platform. Postal ballot forms and business reply envelopes were sent to shareholders to enable them to cast their vote in writing on the postal ballot. The Company also published notices in the newspapers declaring the details of completion of dispatch and other requirements as mandated under the Companies Act, 2013 and applicable Rules. Further, the Company has also complied with other regulatory requirements for conducting such Postal Ballot as prescribed under the Companies Act, 2013 and Listing Regulations.

The Company had appointed Mr. Sanjay Grover (Membership No. FCS 4223; C.P. No. 3850), Company Secretary in Whole Time Practice and Managing Partner of M/s. Sanjay Grover & Associates, Company Secretaries having office at B-88, 1st Floor, Defence Colony, New Delhi as the Scrutiniser for conducting the Postal Ballot process in a fair and transparent manner.

The Scrutiniser submitted his report to the Chairman of the Company, after completion of the scrutiny and the results of voting by postal ballot were then announced by persons authorised by the Chairman of the Company. The results were also informed to the BSE Limited (BSE) and

National Stock Exchange of India Limited (NSE), where the Company's shares are listed and made accessible on Company's website at www.maxindia.com

No resolution requiring postal ballot as required by the Companies (Management and Administration) Rules, 2014, is proposed to be placed for the shareholders' approval at the ensuing Annual General Meeting.

Means of communication

Timely disclosure of reliable information and corporate financial performance is the core of good Corporate Governance. Towards this direction, the quarterly/annual results of the Company were announced within the prescribed period and published in Economic Times, Mint and Desh Sewak. The results can also be accessed on the Company's website www.maxindia.com. The official news releases and the presentations made to the investors/analysts are also displayed on the Company's website. The Company made presentations to financial analysts and institutional investors after the quarterly/annual financial results were approved by the Board.

Disclosures

a) Related party transactions

During the year under review, there were no materially significant related party transactions with its promoters, the Directors or the management, their

subsidiaries or relatives, etc., that may have potential conflict with the interests of the Company at large.

The Company has formulated a policy for transacting with related parties, which is available at the following link on the website of the Company www.maxindia.com/shareholder-information/Transactions entered with the related parties are disclosed in Notes to the financial statements in the Annual Report.

b) Compliance by the Company

The Company has complied with all the mandatory requirements of the Listing Agreement entered into with the stock exchanges, Listing Regulations, SEBI and other statutory authorities on all matters relating to capital markets since the date of its listing on Stock Exchanges. No penalties or strictures have been imposed on the Company by the stock exchanges, SEBI, or any other statutory authorities on any matter relating to capital markets since its listing.

c) Whistle Blower Policy/ Vigil Mechanism

The Company has adopted a Whistle Blower Policy/ Vigil Mechanism and has established the necessary mechanism for directors/ employees to report concerns about unethical behavior. The policy provides adequate safeguards against victimisation of directors/ employees. It is hereby affirmed that no person has been denied access to the Chairman of the Audit Committee on matters relating to Whistle Blower Policy of the Company. The Whistle Blower Policy is displayed on the Company's website viz. www.maxindia.com

d) Disclosure of commodity price risk and commodity hedging activities

As the Company is holding investments in group entities and provide management services to group entities which are all operating in India, there is no foreign exchange exposure. Hence, the said disclosure is not applicable to the Company.

e) Disclosures of the compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations.

f) Details of utilisation of funds raised through preferential allotment or qualified institutions

placement as specified under Regulation 32 (7A)

Not Applicable as no such funds have been raised during the year under review, through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of Listing Regulations.

g) Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed

Not Applicable

h) Fees paid to statutory auditors and all entities in the network firm/ entity

Details relating to fees paid to the Statutory Auditors are given in Note 23 to the Standalone Financial Statements and Note 29 to the Consolidated Financial Statements.

i) Recommendation of Committees to the Board

During the year under review, there were no such recommendations of the Committees, which had not been accepted by the Board of directors of the Company.

j) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- a. number of complaints filed during the financial year : NIL
- b. number of complaints disposed of during the financial year : NIL
- c. number of complaints pending as on end of the financial year : NIL

Subsidiary Companies

The audit committee reviews the financial statements of all subsidiaries of the Company. It also reviews the investments made by such subsidiaries, the statement of all significant transactions and arrangements entered into by subsidiaries, and the compliances of each materially significant subsidiary on a periodic basis. The minutes of board meetings of the subsidiary companies are placed before the board of the Company for review. The company's policy for determining material subsidiaries is available on the company's website: www.maxindia.com/shareholder-information/.

The Company had one material unlisted subsidiary company viz., Max Bupa Health Insurance Company Limited ("Max Bupa") during the year 2018-19.

Corporate Governance Report

Mr. D K Mittal, Independent Director of the Company is an Independent Director on the Board of Max Bupa.

Dividend Distribution Policy

The relevant disclosure with respect to Dividend Distribution Policy forms part of the Board's Report.

General Shareholder Information

A section on the 'General Shareholder Information' is annexed, and forms part of this Annual Report.

Management Discussion & Analysis

A section on the 'Management Discussion & Analysis' is annexed and forms part of this Annual Report.

Compliance Certificate on Corporate Governance

The certification by the Managing Director and Chief Financial Officer of the Company, in compliance of Regulation 17(8) read with Part B, Schedule II of the Listing Regulations, is enclosed as Annexure II.

M/s. Sanjay Grover & Associates, Practicing Company Secretaries have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Schedule V of the Listing Regulations and the said certificate is annexed to the Report as Annexure-III.

A certificate from M/s. Sanjay Grover & Associates, Practicing Company Secretaries, certifying that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India /Ministry of Corporate Affairs or any such statutory authority is annexed as Annexure-IV to the Report.

Equity Shares In Unclaimed Suspense Account

The details of Equity shares held in Unclaimed Suspense Account have been provided in the Board's Report which forms part of the Annual Report

Disclosure on Non-Mandatory Requirements

The Company has duly complied with all the mandatory requirements under Listing Regulations and the status of compliance with the non-mandatory recommendations under Part E of Schedule II of the Listing Regulations is given below:

Shareholders' Rights:

The quarterly, half-yearly and annual financial results of the Company are published in newspapers and also posted on the Company's website.

Audit Qualification:

It has always been the Company's endeavor to present unqualified financial statements. There is no audit qualification in respect of financial statements of the Company for the financial year 2018-19.

Separate posts of Chairman and CEO

The Company has appointed separate persons to the post of Chairman and the Managing Director. During the financial year, Mr. Rahul Khosla, a Non Executive Director was the Chairman and Mr. Mohit Talwar is the Managing Director of the Company. Effective on the closing business hours of March 31, 2019, Mr. Rahul Khosla resigned from the Board of Directors of the Company. Mr. Analjit Singh, Promoter of the Company was appointed as Non Executive Director as well as the Chairman of the Board of Directors of the Company effective April 1, 2019.

Reporting of Internal Auditor

The Internal Auditor reports directly to the Audit Committee, which defines the scope of Internal Audit.

For **Max India Limited**

	Mohit Talwar	Ashok Kacker
Place: New Delhi	Managing Director	Director
Date: May 29, 2019	(DIN: 02394694)	(DIN:01647408)

Annexure-I

DECLARATION BY THE MANAGING DIRECTOR ON CODE OF CONDUCT AS REQUIRED BY REGULATION 26(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

This is to declare and confirm that the Company has received affirmations of compliance with the provisions of Company's Code of Conduct for the financial year ended March 31, 2019 from all Directors and Senior Management personnel of the Company.

For **Max India Limited**

Place: New Delhi
Date: May 29, 2019

Mohit Talwar
Managing Director
(DIN: 02394694)

Corporate Governance Report

Annexure-II

CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

To
The Board of Directors,
Max India Limited

We, Mohit Talwar, Managing Director and Jatin Khanna, Chief Financial Officer of Max India Limited (“the Company”) certify that:

- A. We have reviewed the financial statements and the cash flow statement of the Company for the financial year ended March 31, 2019 and that to the best of our knowledge and belief:
- (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that are misleading; and
 - (b) these statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company’s code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, wherever applicable, deficiencies in the design or operation of such internal controls, if any, of which we are aware of, and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee, wherever applicable:
- (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company’s internal control system over financial reporting.

For **Max India Limited**

Place: New Delhi
Date: May 29, 2019

Mohit Talwar
Managing Director
(DIN: 02394694)

Jatin Khanna
Chief Financial Officer
(DIN:01647408)

Annexure-III**CORPORATE GOVERNANCE CERTIFICATE**

To
The Mem bers
Max India Limited

We have examined the compliance of conditions of Corporate Governance by **Max India Limited** (“the Company”), for the financial year ended March 31, 2019, as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

Place: New Delhi
Date: May 29, 2019

Sanjay Grover
Managing Partner
CP No.: 3850

Corporate Governance Report

Annexure-IV

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Max India Limited
419, Bhai Mohan Singh Nagar,
Village Railmajra, Tehsil Balachaur,
District Nawanshahr, Punjab- 144533

1. That Max India Limited (CIN: L85100PB2015PLC039155) is having registered office at 419, Bhai Mohan Singh Nagar, Nawanshahr Punjab- 144533 (hereinafter referred as "the Company"). The equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited.
2. We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of the Company, produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V ParaC Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. As on 31st March, 2019, the Board of Directors of the Company comprises of the following directors:

Sr. No.	Name of Director	Director Identification Number (DIN)
1.	Mr. Rahul Khosla*	03597562
2.	Mr. Dinesh Kumar Mittal	00040000
3.	Mr. Ashwani Windlass	00042686
4.	Mrs. Tara Singh Vachani	02610311
5.	Mrs. Sharmila Tagore	00244638
6.	Mr. Ashok Kacker	01647408
7.	Mr. K. Narasimha Murthy	00023046
8.	Mr. Mohit Talwar	02394694

NOTE: * Mr. Rahul Khosla (03597562) resigned from the Board of the Company w.e.f March 31, 2019.
Mr. Anlajit Singh (00029641) was appointed as Non-executive Director on the Board of the Company w.e.f April 1, 2019

4. Based on verification and examination of the disclosures/ register under section 184/ 189, 170, 164, 149 of the Companies Act, 2013 (the Act) and DIN based search on MCA Portal (www.mca.gov.in), we certify as under:

None of the above named Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India /Ministry of Corporate Affairs or any such statutory authority for the Financial Year ended 31st March, 2019.
5. Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
6. This certificate is based on the information and records available up to date of this certificate and we have no responsibility to update this certificate for the events and circumstances occurring after the date of the certificate.

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

Place: New Delhi
Date: May 29, 2019

Sanjay Grover
Managing Partner
CP No.: 3850

General Shareholder Information

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General Shareholder Information **90**

General Shareholder Information

Registered Office:

419, Bhai Mohan Singh Nagar,
Village Railmajra, Tehsil Balachaur,
District Nawanshahr, Punjab - 144 533

Corporate Office and Investor Helpline:

Max House, 1, Dr. Jha Marg, Okhla, Phase III,
New Delhi - 110 020
Telephone nos. : 011-42598000 Fax-011 26324126
E-mail : investorhelpline@maxindia.com

Registrar and Share Transfer Agent:

Mas Services Limited,
T-34, 2nd Floor, Okhla Industrial Area, Phase - II
New Delhi - 110 020,
Telephone nos. : 011-26387281/82/83, Fax-011 26387384
e-mail: info@masserv.com

Annual General Meeting:

Date and Time: Friday, August 2, 2019 at 11:00 hrs

Venue: Registered Office of the Company at 419, Bhai Mohan Singh Nagar, Railmajra, Tehsil Balachaur, District Nawanshahr, Punjab - 144 533.

Book Closure:

Saturday, July 27, 2019 to Friday, August 2, 2019
(both days inclusive)

E-VOTING DATES

The cut-off date for the purpose of determining the shareholders eligible for e-voting is Friday, July 26, 2019

The e-voting commences on Monday, July 29, 2019 at 9.00 am IST and ends on Thursday, August 1, 2019 at 5.00 pm IST.

Financial Year

The financial year of the Company starts from April 1 of a year and ends on March 31 of the following year.

Financial Calendar - 2019-20:

1.	First quarter results	- by August 14, 2019
2.	Second quarter & half yearly results	- by November 14, 2019
3.	Third quarter results	- by February 14, 2020
4.	Annual results	- by May 30, 2020

Listing on Stock Exchanges:

BSE Limited ('BSE')

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001
Telephone nos. : 022-2272 1233 /34
Facsimile no. : 022-2272 1919
e-mail : is@bseindia.com
Website: www.bseindia.com

National Stock Exchange of India Limited ('NSE')

"Exchange Plaza",
Bandra-Kurla Complex,
Bandra (East),
Mumbai - 400 051
Telephone nos. : 022-2659 8100 -14
Facsimile no. : 022-2659 8120
e-mail : ignse@nse.co.in
Website : www.nseindia.com

The Company confirms that it has paid annual listing fees due to BSE and NSE for the year 2019-20.

Connectivity with Depositories:

The Company's shares can be held in dematerialised mode through any of the depositories namely National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The contact details of the Depositories are given below:

National Securities Depository Limited	Central Depository Services (India) Limited
Trade World, 'A' Wing, 4th Floor Kamala Mills Compound Senapati Bapat Marg, Lower Parel Mumbai - 400 013 Telephone no. : 022-2499 4200 e-mail : info@nsdl.co.in Website : www.nsdl.co.in	Marathon Futurex, 'A' Wing, 25th Floor Mafatlal Mills Compound N. M. Joshi Marg, Lower Parel Mumbai - 400 013 Telephone no. : 022-2302 3333 e-mail : helpdesk@cdslindia.com Website : www.cdslindia.com

Stock Code:

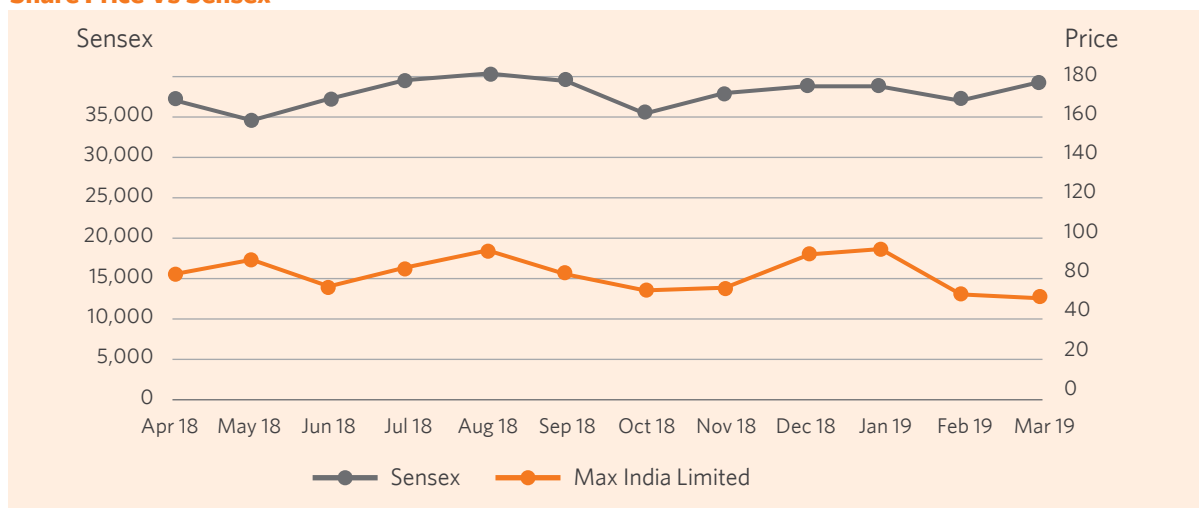
BSE	- 539981
NSE	- MAXINDIA
Demat ISIN No. for NSDL and CDSL	- INE153U01017

	Reuters	Bloomberg
BSE	MAXI.BO	MAXF:IN
NSE	MAXI.NS	NMAX:IN

Monthly high and low quotation on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)

Month	NSE		BSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2018	87.70	78.85	89.30	78.00
May, 2018	87.50	75.75	87.30	75.70
June, 2018	85.40	70.10	84.60	70.00
July, 2018	87.25	71.75	87.80	72.10
August, 2018	95.30	75.80	95.20	75.95
September, 2018	93.85	71.50	93.65	71.65
October, 2018	77.15	65.50	76.90	65.00
November, 2018	74.25	59.55	74.70	55.00
December, 2018	89.90	60.10	89.60	60.20
January, 2019	87.40	81.50	87.55	81.20
February, 2019	88.90	66.70	88.50	66.80
March, 2019	70.50	60.75	71.00	60.90

Share Price Vs Sensex



Shareholding Pattern as on March 31, 2019:

Category	No. of shares held	% of shareholding
Promoter & Promoter Group	10,99,55,098	40.93
Mutual Funds and UTI	3,64,34,747	13.56
Banks, Financial Institutions	2,51,942	0.09
Foreign Institutional Investors	72,59,776	2.70
Foreign Portfolio Investors	6,33,97,427	23.60
Alternate Investment Funds	15,36,746	0.57
Foreign Direct Investment	82,61,049	3.08
Bodies Corporate	98,72,982	3.68
Non-resident Indians/ Overseas Corporate Bodies	10,93,913	0.41
Clearing Members	17,49,375	0.65
Resident Individuals	2,83,04,939	10.55
Trusts	2,400	0.00
Unclaimed Suspense Account	4,95,244	0.18
Total	26,86,15,638	100.00

General Shareholder Information

Distribution of shareholding as on March 31, 2019:

No. of Shareholders	Percentage to total shareholders	Shareholdings	No. of shares	Percentage to total shares
35,030	96.33	1 to 5000	10692336	3.98
644	1.77	5001 to 10000	2350580	0.88
316	0.87	10001 to 20000	2360976	0.88
106	0.29	20001 to 30000	1329522	0.49
50	0.14	30001 to 40000	902590	0.34
36	0.10	40001 to 50000	816891	0.30
80	0.22	50001 to 100000	2867837	1.07
103	0.28	100001 - Above	247294906	92.06
36,365	100.00	Total	26,86,15,638	100.00

Dematerialisation status as on March 31, 2019:

- (i) Shareholding in dematerialised mode 99.47%
- (ii) Shareholding in physical mode 0.53%

Reconciliation of Share Capital Audit

As stipulated by the Regulation 55A of SEBI (Depositories and Participants) Regulations, 1996, a practicing Company Secretary carries out the Reconciliation of Share Capital Audit, on a quarterly basis, to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) with the total listed and paid-up capital. The audit report, inter alia, confirms that the total listed and paid up capital of the Company is in agreement with the aggregate of the total number of shares in dematerialised form and total number of shares in physical form.

For shareholders holding shares in dematerialised mode

Shareholders holding shares in dematerialised mode are requested to intimate all changes with respect to bank details, mandate, nomination, power of attorney, change of address, change of name etc. to their depository participant (DP). These changes will be reflected in the Company's records on the downloading of information from Depositories, which will help the Company provide better service to its shareholders.

Update for shareholders holding their equity shares in physical form

With the aim of curbing fraud and manipulation risk in physical transfer of securities, SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018, mandated the conversion of physical holding into electronic mode i.e. in demat form, for transferring shares to another person(s)/entity(s) after March 31, 2019. In view of the above and the following

inherent benefits of holding shares in electronic form, the Company once again urge the shareholders holding shares in physical form to opt for dematerialisation :

1. Freedom from physical storage
2. Elimination of chances of theft, mutilation, defacement etc.
3. Easy to sell and realise sale proceeds and/or dividend in the bank account linked with the Depository.
4. Contribution to the 'Green Initiative'
5. To make any change in your particulars, you can make single request with your DP, which will be applicable to all companies in your demat account.
6. Demat account can be operated from anywhere in the world

Share Transfer System

All share transfer and other communications regarding share certificates, change of address, etc. should be addressed to the Company's RTA. Stakeholders Relationship Committee and/or Company Secretary in terms of authority granted by the Board of directors are authorised to approve transfer of shares in the physical segment. Such transfers generally take place on fortnightly basis. All share transfers are completed within statutory time limit from the date of receipt, provided the documents meet the stipulated requirement of statutory provisions in all respects. The Company obtains from a Practicing Company Secretary, half yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations and files a copy of the same with the Stock Exchanges.

In terms of requirements to amendments to Regulation 40 of Listing Regulations w.e.f. April 1, 2019, transfer of securities in physical form shall not be processed unless

the securities are held in the dematerialised form with a depository.

Dividend

The Company has not declared any dividend for the current financial year.

Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:

There were no outstanding GDRs/ADRs/Warrants or any Convertible instruments as on March 31, 2019.

Plant Locations: The Company doesn't carry any manufacturing activity. Hence, this is not applicable.

Communication of Financial Results

The unaudited quarterly financial results and the audited annual accounts are normally published in the Financial Express/Desh Sewak. The financial results, press releases and presentations etc. are regularly displayed on the Company's website- www.maxindia.com

Address for Correspondence with the Company

Investors and shareholders can correspond with the office of the Registrar and Transfer agent of the Company or the Corporate Office of the Company at the following addresses:

Registrar & Transfer Agent

Mas Services Limited
T-34, 2nd Floor
Okhla Industrial Area, Phase - II
New Delhi - 110 020

Contact Person

Mr. Sharwan Mangla
Telephone nos.: -011-26387281/82/83
Fax No.: - 011 - 26387384
e-mail : info@masserv.com

Corporate Office

Max India Limited
Max House, 1, Dr. Jha Marg
Okhla Industrial Area, Phase - III
New Delhi - 110 020

Contact Persons

Mr. Pankaj Chawla,
Deputy General Manager - Secretarial
Mr. V. Krishnan
Company Secretary and Compliance Officer
Telephone nos. : 011-42598000
Fax No.: - 011-26324126
e-mail:- vkishnan@maxindia.com

Please visit us at www.maxindia.com for financial and other information about your Company

For **Max India Limited**

New Delhi
May 29, 2019

Mohit Talwar
Managing Director
DIN:02394694

Financial Review

The background of the slide is a solid light orange color. It features several large, abstract, organic shapes in a darker shade of orange. One large shape is on the right side, curving from the top towards the bottom. Another shape is on the left side, also curving. The overall aesthetic is clean and modern.

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FINANCIAL REVIEW

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Directors' Report

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Directors' Report

Dear Members,

Your Directors have pleasure in presenting the fourth Board's Report of Max India Limited ('the Company') along with the audited Statement of Accounts for the financial year ended March 31, 2019. This Board's report is prepared on the basis of standalone financial statements of the Company for the year ended March 31, 2019.

Standalone Results

The highlights of the stand-alone financial results of your Company along with previous year's results are as under:

Particulars	(Rs. Crore)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Income		
Revenue from operations	55.95	63.76
Other income	0.52	1.74
Total revenue	56.47	65.50
Expenditure		
Employee benefits expense	28.20	26.68
Depreciation & Amortisation	1.23	0.87
Other expenses	43.97	26.19
Total expenses	73.40	53.74
Profit/(Loss) before tax	(16.93)	11.76
Tax expense	1.55	6.09
Profit/(Loss) After Tax	(18.48)	5.67
Other comprehensive income/ (loss)	0.04	(0.03)
Total comprehensive income/ (loss)	(18.44)	5.64

Your Company is engaged in the activity of holding and nurturing of investments in its subsidiaries and joint venture Company and also providing Management Consultancy Services to group companies.

Consolidated Results

In accordance with the Companies Act, 2013 ("the Act") and Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the audited consolidated financial statements are provided

as part of this Annual Report and shall also be laid before the ensuing Annual General Meeting of the Company.

The Standalone and Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standards (IND AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The Financial statements for the financial year ended March 31, 2019 are the Company's first IND-AS compliant annual financial statements with comparative results for the year ended March 31, 2018 also under IND-AS. The date of transition is April 1, 2017.

The highlights of the consolidated financial results of your Company and its subsidiaries are as under:

Particulars	(Rs. Crore)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Income		
Revenue from operations	155.76	240.02
Other Income	17.31	11.18
Total Revenue	173.07	251.20
Expenses		
Cost of raw material and components consumed	7.36	41.25
(Increase)/ decrease in inventories of finished goods and work in progress	39.48	90.95
Employee benefits expense	84.37	79.46
Depreciation & Amortisation	5.21	4.49
Finance costs	24.09	26.07
Other expenses	60.24	62.73
Total Expenses	220.75	304.95
Loss before share of loss of joint ventures and tax from continuing operations	(47.68)	(53.75)
Share of loss of joint ventures	(0.99)	(5.82)
Loss before tax from continuing operations	(48.67)	(59.57)
Tax Expense	2.55	7.24
Loss after tax from continuing operations	(51.22)	(66.81)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit/ (loss) after tax from discontinuing operations	(79.80)	33.58
Loss for the year	(131.02)	(33.23)
Other comprehensive income ('OCI')	(2.06)	(7.31)
Total comprehensive income	(133.08)	(40.54)

Share Capital

The Authorized share capital of the Company as on March 31, 2019 was Rs. 60, 00, 00, 000/- (Rupees Sixty Crores only) comprising of 30, 00, 00, 000 equity shares of Rs. 2/- each.

During the year under review, 2, 32, 573 equity shares of rs. 2/- Each were allotted for cash, on exercise of stock options by eligible employees under the 'Max India Employee Stock Plan 2016'.

The Paid up capital of the Company as on March 31, 2019 was Rs. 53, 72, 31, 276/- (Rupees Fifty three crores seventy two lakhs thirty one thousand two hundred seventy six only) comprising of 26, 86, 15, 638 equity shares of Rs. 2/- each.

Further, your Company allotted 49, 910 equity shares of Rs.2/- each to Mr. Mohit Talwar, Managing Director, for cash under the aforesaid Stock Plan post March 31, 2019 till the date of this Directors' report.

Employee Stock Option Plan

Your Company has adopted an employee stock option plan viz. 'Max India Employee Stock Plan 2016' ('ESOP Plan') at its first Annual General Meeting held on September 27, 2016. The ESOP Plan provides for grant of stock options aggregating not more than 5% of equity share capital of the Company to eligible employees and Directors of the Company. The ESOP Plan is administered by the Nomination and Remuneration Committee constituted by the Board of Directors of the Company.

Pursuant to the Composite Scheme of Arrangement amongst Max Financial Services Limited (formerly 'Max India Limited') (MFSL), Max India Limited (formerly 'Taurus Ventures Limited') (the Company) and Max Ventures and Industries Limited (formerly 'Capricorn Ventures Limited') and their respective shareholders and creditors, sanctioned

by the Hon'ble High Court of Punjab and Haryana vide order dated December 14, 2015, the stock option-holders of MFSL were granted 25, 03, 560 stock options of the Company in proportion to the options held by them in MFSL with similar vesting schedule. Till date, the Company has issued and allotted 16, 17, 060 Equity shares of Rs. 2/- each, on the exercise 7, 30, 560 stock options at an exercise price of Rs.2/- per option and 8, 86, 500 stock options at an exercise price of Rs.77.80/- per option by the stock option-holders of MFSL. Further, 6, 65, 000 options lapsed as of March 31, 2019 as detailed in **Annexure- 1** to this Report.

In addition to above, the Nomination and Remuneration Committee of the Company granted 1, 08, 749 stock options to Mr. Mohit Talwar, Managing Director of the Company, of which 64, 489 equity shares of Rs. 2/- each have been issued and allotted to him till date upon exercise of 64, 489 stock options of Rs.2/- each.

There is no change in the ESOP plan during the financial year under review. The ESOP plan is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

Details of options granted upto March 31, 2019 and other disclosures as required under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Rule 12(9) of Companies (Share Capital & Debentures) Rules, 2014 for the financial year 2018-19 are enclosed as **Annexure-1** and are also available on the Company's website at www.maxindia.com

Cancellation of Convertible Warrants

The Company allotted 19, 384, 584 Convertible Warrants to a promoter entity on June 20, 2017 at an issue price of Rs. 154.76 per warrant, upon receipt Rs. 75 crores, being 25% of the upfront warrant Subscription Amount. Each warrant was convertible into 1 equity share in terms of applicable SEBI guideline at any time before expiry of 18 months from the date of allotment i.e. on or before December 19, 2018.

In-view of uncertain market situations and more particularly, as the share price of the Company was quoting substantially below the conversion price, the Promoter group decided not to opt for conversion of aforesaid warrants. Therefore, pursuant to applicable SEBI guidelines, the Board of directors of the Company on December 17, 2018, took note of cancellation of aforesaid warrants and forfeiture of upfront warrant Subscription Amount of Rs.75

Crepe paid earlier by the Promoter entity on such warrants.

Extracts of Annual Return

Pursuant to Section 134(3)(a) and Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extracts of the Annual Return as at March 31, 2019 (MGT-9) is enclosed as '**Annexure - 2**' to this report and is also available on the Company's website viz. www.maxindia.com

Subsidiaries, Associates and Joint Ventures

During the year under review, your Company incorporated a Wholly-owned Subsidiary namely Advaita Allied Health Services Limited ("Advaita"). Advaita's current Authorized and Paid-up Capital is Rs. 5, 00, 000 comprising of 50, 000 Equity Shares of Rs. 10 each. The first financial year of Advaita has commenced from the date of its incorporation i.e. January 23, 2019 and shall end on March 31, 2020.

As of March 31, 2019, your Company had ten (10) subsidiaries and one (1) Associate Company, out of which seven (7) Subsidiary Companies are direct Subsidiaries. Further, the Company owns 100% of the share capital in residual three (3) subsidiaries, on a pass through basis.

The requisite details of these companies form part of the extracts of Annual Return given in '**Annexure-2**'.

A report on the performance and financial position of these subsidiaries and Associate Company, included in the consolidated financial statements and presented in Form AOC-1 is enclosed as '**Annexure - 3**' to this report. The said Form AOC-1 does not contain the requisite details of Advaita as the first audited financial figures of Advaita shall be made available only after its first financial year ending on March 31, 2020.

Further, a detailed update on the business performance and contribution of your Company's key operating subsidiaries and Associate Company in the performance of the Company is furnished as part of Management Discussion and Analysis section which forms part of the Report.

As provided in Section 136 of the Act, the financial statements and other documents of the subsidiary companies are not attached with the financial statements of the Company. The complete set of financial statements including financial statements of the subsidiaries of the Company is available on our website www.maxindia.com. These documents will

also be available for inspection during business hours at the Registered and Corporate Office of the Company and shall also be made available to the shareholders of the Company in hard copy, on demand.

During the year under review, your Company made further investments of Rs. 38.45 crore in Antara Senior Living Limited by subscribing to 38, 45, 000 Compulsory Convertible Preference Shares (CCPS) of Rs.100/- each and Rs. 28.50 crore in Max Bupa Health Insurance Company Limited by subscribing to 2, 80, 50, 000 equity shares of Rs. 10/- each.

Dividend

The Board of Directors did not recommend any dividend for the financial year ended March 31, 2019, on the Equity Share Capital of the Company.

In terms of regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Company's dividend distribution policy is enclosed as '**Annexure - 4**' to the board's report.

Transfer to Reserves

The Company has not transferred any amount to the General Reserves for the financial year ended March 31, 2019.

Directors

As on March 31, 2019, the Board of Directors comprised of 8 (eight) members with 1 (one) Executive Director and 7 (seven) Non-Executive Directors of which 4 (four) were Independent.

Mr. Dipankar Gupta, an Independent Director of the Company resigned from the Board of Directors of the Company with effect from April 11, 2018.

Mr. K. Narasimha Murthy (DIN: 00023046) and Mrs. Sharmila Tagore (DIN: 00344638) were appointed as Additional Directors holding the position of Independent Director on the Board of Directors of the Company, effective December 24, 2018 and February 26, 2019, respectively.

Mr. Rahul Khosla, who was the Chairman of the Company, has resigned from the Board of Directors of the Company effective closing of business hours of March 31, 2019. The Board places on record its deep appreciation for the valuable

contribution made by Rahul Khosla as the Chairman of the Company.

Mr. Analjit Singh, Promoter of the Company was appointed as an Additional Director on the Board of the Company holding the position of Non Executive Director, not liable to retire by rotation, designated as Chairman of the Company with effect from April 1, 2019.

The above directors were appointed as Additional Directors and therefore, their term of office expires on the date of ensuing Annual General Meeting. The Company has received notices under Section 160 of the Companies Act, 2013 from members proposing the candidature of these directors for being appointed as directors of the Company. The Board of Directors on recommendation of Nomination and Remuneration Committee recommend to the shareholders for their appointment as Directors of the Company. The brief particulars of all such directors form part of the notice of the ensuing Annual General Meeting.

As per the provisions of Act, Independent Directors were appointed for a term of five consecutive years and shall not be liable to retire by rotation. Accordingly, resolutions proposing appointment of Mr. K. Narasimha Murthy and Mrs. Sharmila Tagore, as Independent Directors of the Company, form part of the notice of the ensuing Annual General Meeting.

In terms of Section 152 of the Act and the Articles of Association of the Company, Mrs. Tara Singh Vachani and Mr. Ashwani Windlass are liable to retire by rotation at the ensuing Annual General Meeting. Mrs. Tara Singh Vachani and Mr. Ashwani Windlass being eligible have offered themselves for re-appointment at the ensuing Annual General Meeting. The Board recommends their re-appointment for consideration of the members of the Company at the forthcoming Annual General Meeting. Brief profiles of these directors form part of the Notice convening Annual General Meeting.

The Board met seven times during the financial year 2018-19:

S. No.	Date	Board Strength	No. of Directors present at the meeting
1	May 29, 2018	6	5
2	August 10, 2018	6	6
3	November 2, 2018	6	6
4	December 24, 2018	7	6

5	February 11, 2019	7	6
6	February 26, 2019	8	3
7	March 22, 2019	8	7

The details regarding number of meetings attended by each Director during the year under review forms part of the Corporate Governance Report attached as part of this Annual Report.

Statement of Declaration by Independent Directors

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. In the opinion of the Board, the Independent Directors, fulfil the conditions of independence specified in Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations. The Independent Directors have also confirmed that they have complied with the Company's Code of Conduct and the inlaid policies and applicable laws.

Committees of the Board of Directors

The Company has various committees which have been established as a part of the best corporate governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes. Details of these committees along with their charter, composition and meetings held during the year, are provided in the Corporate Governance Report, which forms part of this report.

1. Audit Committee:

The Audit Committee met six times during the financial year 2018-19, viz. on May 29, 2018, August 10, 2018, November 2, 2018, December 24, 2018, February 11, 2019 and March 22, 2019. The Committee as on March 31, 2019 consisted of Mr. Ashok Kacker (Chairman), Mr. Dinesh Kumar Mittal and Mr. Mohit Talwar.

2. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee met six times during the financial year 2018-19, viz. on May 29, 2018 August 10, 2018, December 24, 2018, February 11, 2019, February 26, 2019 and March 22, 2019. The Committee as on March 31, 2019 consisted of Mr. Ashok Kacker (Chairman), Mr. D. K. Mittal and Mr. Rahul Khosla. Consequent to the resignation of

Mr. Rahul Khosla, he ceased to be a member of the Committee effective March 31, 2019. Mr. Analjit Singh has been co-opted as a member of this Committee with effect from April 1, 2019.

3. **Investment & Finance Committee:**

The Investment & Finance Committee met six times during the financial year 2018-19, viz. on May 29, 2018, August 10, 2018, November 2, 2018, December 24, 2018, February 11, 2019 and March 22, 2019. The Committee as on March 31, 2019 consisted of Mr. Ashwani Windlass (Chairman), Mr. Rahul Khosla, Mr. Ashok Kacker, Mr. D.K. Mittal, Mrs. Tara Singh Vachani and Mr. Mohit Talwar. Consequent to the resignation of Mr. Rahul Khosla, he ceased to be a member of the Committee effective March 31, 2019.

4. **Corporate Social Responsibility Committee:**

The Committee met once during the financial year 2018-19, viz. on August 10, 2018, with the presence of all its members. The Committee as on March 31, 2019 consisted of Mr. Ashok Kacker, Mr. Dinesh Kumar Mittal and Mrs. Tara Singh Vachani.

5. **Stakeholders Relationship Committee:**

The Committee met six times during the financial year 2018-19, viz. on May 29, 2018, August 10, 2018, November 2, 2018, December 24, 2018, February 11, 2019 and March 22, 2019. The Committee as on March 31, 2019 consisted of Mr. Ashwani Windlass (Chairman), Mr. Ashok Kacker and Mr. Mohit Talwar.

6. **Committee of Independent Directors:**

The Committee of Independent Directors as on March 31, 2019 consisted of Mr. Ashok Kacker, Mr. Dinesh Kumar Mittal, Mr. K. Narasimha Murthy and Mrs. Sharmila Tagore.

The Independent Directors had a separate meeting on May 29, 2019 in the presence of all four Independent directors and without the presence of Executive Directors to evaluate the performance of directors of the Company, the Chairman, the board as a whole and committees thereof for the year under review. Mr. Ashok Kacker chaired the meeting. At the meeting, the independent directors also assessed the quality, quantity and timeliness of flow of information between

the Company's management and the board which enables the board to effectively and reasonably perform its duties. The independent directors also discussed the strategy and risks pertaining to the Company and its subsidiaries and associate companies.

Performance Evaluation of the Board

As per the requirements of the Act and Listing Regulations, formal Annual Evaluation process has been carried out for evaluating the performance of the Board, the Committees of the Board and the Individual Directors including Chairperson for the financial year ended March 31, 2019.

The performance evaluation was carried out by obtaining feedback from all Directors through a confidential online survey mechanism through Diligent, a secured electronic medium through which the Company interfaces with its Directors. The outcome of this performance evaluation was placed before the Nomination and Remuneration Committee, Independent Directors and the Board for the consideration of the members.

The review concluded by affirming that the Board as a whole as well as its Chairman, all of its members, individually and the Committees of the Board continued to display commitment to good governance by ensuring a constant improvement of processes and procedures and contributed their best in overall growth of the organization.

Key Managerial Personnel

In terms of the provisions of Section 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Mohit Talwar, Managing Director, Mr. Jatin Khanna, Chief Financial Officer and Mr. V. Krishnan, Company Secretary are the Key Managerial Personnel (KMP) of the Company.

Nomination & Remuneration Policy

In terms of the provisions of Section 134 (3)(e) of the Act, the Board of Directors on the recommendation of the Nomination and Remuneration Committee approved a policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided and the same is enclosed as '**Annexure - 5**' to this report and is also available on our website www.maxindia.com.

Corporate Social Responsibility Policy (CSR policy)

In terms of the provisions of section 135 of the Act, read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of your Company, on the recommendation of Corporate Social Responsibility Committee ("CSR Committee"), approved a CSR policy which is available on the website of the Company at www.maxindia.com.

Report on CSR Activities of the Company for the financial year ended March 31, 2019 is enclosed as 'Annexure - 6' to this Report.

Human Resources

As on March 31, 2019, there were 48 employees on the rolls of the Company. The remuneration of our employees is competitive with the market and rewards high performers across levels. The remuneration to Directors, Key Managerial Personnel and Senior Management are a balance between fixed, incentive pay and long-term equity program based on the performance objectives appropriate to the working of the Company and its goals and is reviewed periodically and approved by the Nomination and Remuneration Committee of the Board.

Details pursuant to Section 197 (12) of the Act, read with the Rule 5(1) and Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are enclosed as 'Annexure-7a' and 'Annexure-7b' to this report.

Prevention of Sexual Harassment of Women at workplace

Your Company has requisite policy for prevention of Sexual Harassment of Women at workplace, which is available at www.maxindia.com. The comprehensive policy ensures gender equality and the right to work with dignity. An Internal Complaints Committee (ICC) has been constituted as per provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. No case under the said Act was reported to the Committee during the year under review.

Loans, Guarantees or Investments in Securities

The Company has pursuant to the provisions of Section 186 of the Act given loans, made guarantees and investments during the year under review and the details of such loans, guarantees and investments are provided in Note No 39 to

the financial statements of the Company for the FY 2018-19.

Management Discussion & Analysis

In terms of Regulation 34 of Listing Regulations, a review of the performance of the Company, including those of your Company's subsidiaries and Associate Company, is provided in the Management Discussion & Analysis section, which forms part of this Annual Report.

Report on Corporate Governance

The Company has complied with all the mandatory requirements of Corporate Governance specified by the Securities and Exchange Board of India through Part C of Schedule V of Listing Regulations. As required by the said Clause, a separate Report on Corporate Governance forms part of the Annual Report of the Company.

A certificate from M/s Sanjay Grover & Associates, Practicing Company Secretaries regarding compliance with the regulations of Corporate Governance pursuant to Part E of Schedule V of Listing Regulations and a certificate from the Managing Director and Chief Financial Officer on compliance of Part B of Schedule II of Listing Regulations, form part of the Corporate Governance Report.

Public Deposits

During the year under review, the Company has not accepted or renewed any deposits from the public

Contracts or Arrangements with Related Parties

All transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. There is no material contract or arrangement in terms of Listing Regulations. Hence, the requirement of furnishing the particulars of contracts or arrangements entered into by the Company with related parties referred to in section 188(1) of the Act, in Form- AOC-2 is not applicable to the Company.

All Related Party Transactions are placed before the Audit Committee for approval. Omnibus approval was obtained on a yearly basis for transactions which are of repetitive nature. Transactions entered into pursuant to omnibus approval are placed before the Audit Committee and the Board for information and noting on a quarterly basis.

The details of all the Related Party Transactions entered during Financial Year 2018-19 form part of Note No. 31 to the financial statements attached to this Annual Report.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website www.maxindia.com

Statutory Auditors and Auditors' Report

Pursuant to Sections 139 & 142 of the Act, M/s S.R. Batliboi & Co., LLP, Chartered Accountants (FRN 301003E), were appointed as the Statutory Auditors of the Company at the first Annual General Meeting held on September 27, 2016 to hold office from the conclusion of first Annual General Meeting till the conclusion of the 5th Annual General Meeting of the Company to be held in the year 2020.

The Ministry of Corporate Affairs (MCA) vide its notification dated 7 May 2018, has omitted the requirement under first proviso to section 139 of the Act and rule 3(7) of the Companies (Audit and Auditors) Rules, 2014, regarding ratification of the appointment of statutory auditors by shareholders at every subsequent AGM.

Consequently, M/s. S R Batliboi & Co. LLP, Chartered Accountants, continues to be the statutory auditors of the Company till the conclusion of 5th AGM, as approved by shareholders at first AGM held on September 27, 2016.

There are no audit qualifications or reporting of fraud in the Statutory Auditors Report given by M/s S.R. Batliboi & Co., LLP, Statutory Auditors of the Company for the FY 2018-19 as annexed elsewhere in this Annual Report.

Secretarial Auditors and Secretarial Audit Report

Pursuant to Section 204 of the Act, your Company had appointed M/s Sanjay Grover and Associates, Practicing Company Secretaries (Firm Registration No.P2001DE052900) as its Secretarial Auditors to conduct the Secretarial Audit of the Company for the FY 2018-19. The Report of Secretarial Auditor for the Financial Year ended March 31, 2019 is enclosed as '**Annexure-8**' to this report.

There are no audit qualifications, reservations or any adverse remark in the said Secretarial Audit Report.

Further, your Company complies with the applicable

Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

Cost Records

Your Company is not required to maintain cost records as specified by the Central Government under Section 148(1) of the Act.

Business Responsibility Report

A detailed Business Responsibility Report as required under regulation 34 of the Listing Regulations, is annexed to this report as 'Annexure-9'.

Internal Auditors

The Company follows a robust Internal Audit process and audits are conducted on a regular basis, throughout the year in accordance with the Audit Plans. During the year under review, M/s MGC and KNAV, Global Risk Advisory LLP were re-appointed as Internal Auditors for conducting the Internal Audit of key functions and assessment of Internal Financial Controls as required under applicable regulations.

Risk Management

Your Company considers that risk as an integral part of its business and therefore, it takes proper steps to manage all risks in a proactive and efficient manner. The Company management periodically assesses risks in the internal and external environment and incorporates suitable risk treatment processes in its strategy, and business and operating plans.

There are no risks which, in the opinion of the Board, threaten the very existence of your Company. However, some of the challenges/risks faced by its key operating subsidiaries & Associate Company have been dealt in detail in the Management Discussion and Analysis section of respective companies forming part of this Annual Report. A copy of the same can also be accessed at Company's website www.maxindia.com.

Internal Financial Controls

The Company has in place, adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed. The Management have reviewed the existence of various risk-

based controls in the Company and also tested the key controls towards assurance for compliance for the present fiscal. Further, the testing of such controls shall also be carried out independently by the Statutory Auditors as mandated under the provisions of the Act.

In the opinion of the Board, the existing internal control framework is adequate and commensurate with the size and nature of the business of the Company.

During the year under review, there were no instances of fraud reported by the auditors under section 143(12) of the Act to the Audit Committee or the Board of Directors.

Vigil Mechanism

The Company has a vigil mechanism pursuant to which a Whistle Blower Policy has been adopted and is in place. The Policy ensures that strict confidentiality is maintained whilst dealing with concerns raised and also that no discrimination will be meted out to any person for a genuinely raised concern in respect of any unethical and improper practices, fraud or violation of Company's Code of Conduct.

The said Policy covering all employees, Directors and other persons having association with the Company is hosted on the Company's website www.maxindia.com

A brief note on Vigil Mechanism/ Whistle Blower Policy is also provided in the Report on Corporate Governance, which forms part of the Annual Report.

Particulars of Conservation Of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings & outgo as stipulated under Section 134(3)(m) of the Act read with Companies (Accounts) Rules, 2014 is as follows:

a) Conservation of Energy

- (i) the steps taken or impact on conservation of energy: Regular efforts are made to conserve the energy through various means such as use of low energy consuming lightings, etc.
- (ii) the steps taken by the Company for using alternate sources of energy: Since your Company is not an energy intensive unit, utilization of alternate source of energy may not be feasible.

(iii) Capital investment on energy conservation equipment : Nil

b) Technology Absorption

Your Company is not engaged in manufacturing activities, therefore there is no specific information to be furnished in this regard. Further, there was no expenditure incurred on Research and Development during the period under review.

c) Foreign Exchange Earnings and Outgo

The foreign exchange earnings and outgo are given below:

Total Foreign Exchange earned	:	Nil
Total Foreign Exchange used	:	Rs. 2.23 Crore

Directors' Responsibility Statement

Pursuant to the requirement under Section 134(3)(c) of the Act, it is hereby confirmed that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The Directors had prepared the annual accounts on a going concern basis;
- (e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Material Changes Affecting Financial Position

There are no material changes and commitments, affecting the financial position of the Company which has occurred between the end of the financial year of the Company i.e. March 31, 2019 and the date of the Directors' report i.e. May 29, 2019. However, the proposal of a composite scheme of amalgamation and arrangement and divestment of equity shares of Max Bupa Health Insurance Company Limited are explained in detail in subsequent paragraphs.

Proposed Composite Scheme of Amalgamation and Arrangement

The Board of Directors of the Company, at its meeting held on December 24, 2018, approved a composite scheme of amalgamation and arrangement amongst Max India Limited ("Max India" or 'the Company'), Max Healthcare Institute Limited ('Max Healthcare'), Radiant Life Care Private Limited ('Radiant Life') and a wholly owned subsidiary (WOS) of the Company to be incorporated for this purpose ('NewCo') and their respective shareholders and creditors ("Scheme").

After incorporation of NewCo namely Advaita Allied Health Services Limited ("Advaita"), the said scheme was revised and approved by the Board of directors of the Company on March 1, 2019, to inter-alia, include the details of Advaita in it.

The Scheme inter alia, provides for:

- (a) Demerger of the activity of making, holding and nurturing investments in allied health and associated activities, inter alia comprising of underlying investments of the Company in Max Bupa Health Insurance Co Limited and Antara Senior Living Limited, along with corporate management services (collectively known as "Demerged Undertaking 1") from the Company into Advaita. The shareholders of the Company as on record date (to be specified subsequently) shall be issued 1 Equity share of Rs. 10/- each of Advaita for every 5 equity shares of Rs.2/- each held in the Company. The shares of Advaita shall be listed on the stock exchanges post effectiveness of the Scheme;
- (b) Demerger of healthcare business of Radiant Life ("Demerged Undertaking 2") into Max Healthcare, pursuant to which shareholders of Radiant Life as on record date (to be specified subsequently) shall be issued 9074 equity shares of Max Healthcare of Rs.

10/- each, for every 10 equity shares, of Rs. 10/- each held in Radiant Life; and

- (c) Amalgamation of residual Max India (post demerger of the Demerged Undertaking 1), which comprises of healthcare activities (including its underlying investment in Max Healthcare) with Max Healthcare. The shareholders of the Company as on record date (to be specified subsequently) shall be issued 99 equity shares of Rs.10/- each of Max Healthcare for every 100 equity shares of Rs.2/- each held in Max India. The shares of Max Healthcare shall be listed on stock exchanges post effectiveness of the Scheme.

The aforesaid scheme has been contemplated to consolidate the healthcare business activities carried on by Radiant Life and Max Healthcare and thereby, creating a standalone listed entity, which will exclusively be engaged in healthcare activities. The scheme shall also lead to unlock maximum value for the shareholders of Max India and therefore, ensure standalone focus on the allied health and associated activities of Max India, which will be demerged into a separate company namely Advaita, to be listed on the Stock Exchanges.

The Scheme is subject to the receipt of requisite approvals from the statutory authorities including Security and Exchange Board India (SEBI), Stock Exchanges (NSE and BSE), Competition Commission of India (CCI), the Insurance Regulatory and Development Authority of India (IRDAI), the National Company Law Tribunal (NCLT), and respective shareholders and creditors of parties to the Scheme.

Shifting of Registered Office of the Company from the State of Punjab to Mumbai, Maharashtra

Arising from the Scheme of Amalgamation and Arrangement referred above and further, in order to exercise better administrative control and enable the Company to rationalize and streamline its management of affairs, the Board of Directors of the Company in its meeting held on December 24, 2018 has recommended the proposal for shifting of the Registered Office of the Company from the State of Punjab to Mumbai, State of Maharashtra.

In terms of the provisions of Section 12, 13, 110 and other applicable provisions of the Act and the Rules made thereunder, the aforesaid proposal of shifting of registered office has been approved by the members of the Company

with requisite majority through Postal Ballot/ e-voting on February 11, 2019.

The Company is in the process of filing the requisite application for seeking approval of Central Government in this regard.

Divestment of Equity Shares of Max Bupa Health Insurance Company

In-order to rebalance the portfolio of Company's businesses and keeping in view the significant capital requirements for the health insurance business going forward, the Board of Directors ("Board") of the Company at its meeting held on February 26, 2019, had approved a proposal relating to divestment of entire shareholding of the Company held in its material subsidiary viz. Max Bupa Health Insurance Company Limited ("Max Bupa") (equivalent to 51% of Max Bupa's total issued and paid-up share capital) to True North Fund VI LLP and / or any of its affiliates ("Proposed Transaction"), subject to the receipt of requisite approvals including the approval of the Insurance Regulatory and Development Authority of India (IRDAI) and Shareholders of the Company.

The Salient features of the Proposed Transaction are as under

1. The Proposed Transaction is an all-cash transaction and it values Max Bupa at an enterprise value of Rs 1013 crores as on March 13, 2019. Accordingly, subject to certain adjustments contemplated under the terms of the Share Purchase Agreement dated March 13, 2019 executed between the Company, Max Bupa and True North Fund VI LLP ("SPA"), the purchase consideration for all shares held by the Company in Max Bupa would be Rs. 516,63,00,000 (Rupees Five Hundred Sixteen Crores and Sixty Three Lakhs) ("Initial Purchase Consideration").
2. The Initial Purchase Consideration is subject to certain adjustments under the SPA including but not limited to: (i) upward adjustment to the extent of any capital that is invested by the Company into Max Bupa between the date of execution of the SPA and the date of completion of the Proposed Transaction; and (ii) if the completion of the Proposed Transaction takes place after September 30, 2019, downward adjustment to the extent of 51% of the aggregate of (a) the gross

provisions made in the books of accounts of Max Bupa, as on the quarter end preceding the date of completion of the Proposed Transaction, for diminution in the value of any investment made by the Company, if any and (b) any write-off of any investment made by the Company, in whole or in part, in the books of accounts of the Company after July 1, 2018 and until the quarter end preceding the date of completion of the Proposed Transaction. Any provision for diminution or write-off or indemnity on the investments made by the Company, in whole or in part, in the books of accounts is capped at an aggregate amount of INR 40,00,00,000 (Indian Rupees Forty Crores). Further, any subsequent recovery made against such investments written-off or provided for, will be made good to the Company as per the mechanism set out in the SPA.

3. However, irrespective of the adjustments contemplated under the SPA, the Company will receive as the purchase consideration for all shares held by the Company in Max Bupa, an amount of at least INR 510,51,00,000 (Rupees Five Hundred Ten Crores and Fifty-One Lacs) on the date of completion of the Proposed Transaction.
4. As part of the SPA, the Company has provided certain customary representations and warranties and corresponding indemnities to True North Fund VI LLP. The Company has also provided to True North Fund VI LLP, certain specific indemnities pertaining to any diminution in the value of certain investments made by Max Bupa as more particularly set out in the SPA.

Pursuant to the requirement of Regulation 24 of Listing Regulations, the shareholders of the Company had accorded approval by way of Special Resolution passed through Postal Ballot/e-voting on May 22, 2019, in respect of aforesaid divestment of equity shares of Max Bupa. The transaction will be completed on receipt of requisite approval from IRDAI.

Significant and material orders passed by the regulators or courts or tribunals

During the year under review, there were no significant and material orders passed by the regulators or courts or tribunals which could impact the going concern status and company's operations in future.

Unclaimed Shares

The status of unclaimed equity shares of the Company transferred to the demat account, 'Max India Limited -Unclaimed Suspense Account', in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as follows:

S. No.	Particulars	No. of shareholders	No. of equity shares held
1	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed suspense account as on April 1, 2018	2257	500774
2	Number of shareholders who approached the Company (with complete documentation) during the year for transfer of shares from the Unclaimed Suspense Account	19	5530
3	Number of shareholders to whom shares were transferred during the year from the Unclaimed Suspense Account	19	5530
4	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on March 31, 2019	2238	4, 95, 244

Voting rights in respect of the aforesaid 4, 95, 244 shares will remain frozen till the time such shares are transferred from the Unclaimed Suspense Account to the concerned Shareholders.

Cautionary Statement

Statements in this Report, particularly those which relate to Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied in the statement depending on the circumstances.

Acknowledgements

Your Directors acknowledge with thanks the co-operation and assistance received from various agencies of the Central and State Governments, Financial Institutions and Banks, Shareholders, Joint Venture partners and all other business associates. Your Directors would like to place on record their appreciation of the contribution made by its management and its employees who through their competence and commitment have enabled the Company to achieve impressive growth.

On behalf of the Board of Directors
Max India Limited

New Delhi
Date: May 29, 2019

Mohit Talwar
Managing Director
(DIN:02394694)

Ashok Kacker
Director
(DIN:01647408)

Annexure -1

Disclosure under SEBI (Share Based Employee Benefit) Regulations, 2014 and Rule 12(9) of Companies (Share Capital & Debentures) Rules, 2014 for the financial year 2018-19

- A. Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time. : Please refer to Note no 27 of Standalone Financial Statements for the year ended March 31, 2019.
- B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time. : (0.69)
- C. Summary of status of ESOS granted:
- i. The description of Max India Employee Stock Plan 2016 is summarised as under:

S. No.	Particulars	Details				
1	Date of shareholders' approval	September 27, 2016				
2	Total number of options approved under ESOS	1, 33, 49, 199				
3	Vesting requirements	Vesting may be time based or performance based as determined by the Nomination and Remuneration Committee (NRC), from time to time.				
4	Exercise price or pricing formula	As determined by the NRC, from time to time.				
5	Maximum term of options granted	As determined by the NRC, subject to the compliance of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.				
6	Source of shares (primary, secondary or combination)	Primary				
7	Variation in terms of options	In February 11, 2019, NRC approved the acceleration of the vesting of the unvested options granted to Mr. Rahul Khosla as per revised graded vesting schedule detailed hereunder: <table border="1" data-bbox="768 1289 1258 1389"> <tr> <td>Total number of options</td> <td>4, 08, 308</td> </tr> <tr> <td>Immediate vesting on February 15, 2019</td> <td>4, 08, 308</td> </tr> </table>	Total number of options	4, 08, 308	Immediate vesting on February 15, 2019	4, 08, 308
Total number of options	4, 08, 308					
Immediate vesting on February 15, 2019	4, 08, 308					

- ii. Method used to account for ESOS: The Company has adopted intrinsic value method of Valuation.
- iii. Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed. : Not Applicable

iv. Option movement during the year

Number of options outstanding at the beginning of the period	11, 52, 043
Number of options granted during the year	61, 200
Number of options forfeited / lapsed during the year	6, 65, 000
Number of options vested during the year	10, 08, 323
Number of options exercised during the year	2, 32, 573
Number of shares arising as a result of exercise of options	2, 32, 573
No. of options vested but not exercised	1, 16, 400
Money realized by exercise of options (INR), if scheme is implemented directly by the company	Rs. 4, 65, 146
Loan repaid by the Trust during the year from exercise price received	Not Applicable. The ESOP Plan is not administered by a trust.
Number of options outstanding at the end of the year	1, 99, 270

i. Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock. : Weighted average exercise price and weighted average fair value of options exercised was Rs. 2/- and Rs.72.17 respectively.

ii. Employee wise details of options granted to -

a) Senior Managerial Personnel	Name	Mr. Mohit Talwar
	Designation	Managing Director
	Number of option granted during the year	61, 200
	Exercise Price	Rs.2
b) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and	The Company had granted options only to Mr. Mohit Talwar during the year under review.	
c) identified employees who were granted option during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	No employee of the Company was granted options during the year exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	

iii. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

The weighted-average values of share price of option granted	Rs.82.09-82.21
Exercise price,	Rs. 2/-
Expected volatility,	35.67%
Expected option life,	3.00-4.00 years
Expected dividends,	Nil
Risk-free interest rate	7.21%-7.39%
Any other inputs to the model;	Nil
The method used and the assumptions made to incorporate the effects of expected early exercise;	Not Applicable
How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility;	The calculation of expected volatility is based on historical stock prices. Volatility was calculated using standard deviation of daily change in stock price.
Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.	No other feature has been considered for fair valuation of options except as mentioned above.

Annexure 2

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on March 31, 2019
Pursuant to Section 92 (3) of the Companies Act, 2013 ('the Act') and Rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1	CIN	L85100PB2015PLC039155
2	Registration Date	01-01-2015
3	Name of the Company	Max India Limited
4	Category/ Sub-category of the Company	Public Company Limited by Shares; Indian Non-Government Company
5	Address of the Registered office & Contact details	419, Bhai Mohan Singh Nagar, Village Railmajra, Tehsil Balachaur, District Nawanshahr, Punjab - 144 533 Phone : 01881-462000 Fax : 01881-273607 E-mail : investorhelpline@maxindia.com
6	Whether listed company	Yes, Listed Company
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Mas Services Limited T-34, 2 nd Floor, Okhla Industrial Area Phase - II, New Delhi - 110020 Phone : 011- 26387281/82/83 Fax : 011 - 26387384 E-mail : info@masserv.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sr. No.	Name and Description of main products/services	NIC code of the product/services	%age of total turnover of the Company
1.	Shared Services	70200- Management Consultancy activities	83.41%
2.	Investment Activity	64300- Trusts, Funds and other Financial Vehicles	13.26%
3.	Investing in Subsidiaries	64200- Activities of Holding Companies	3.33%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

The Company doesn't have any Holding Company.

As on March 31, 2019, the Company has following Subsidiaries and Associate Companies:

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Max Bupa Health Insurance Company Limited Max House 1, Dr. Jha Marg, Okhla, New Delhi - 110 020.	U66000DL2008PLC182918	Subsidiary	51.00%	2 (87) of the Act.
2.	Antara Senior Living Limited Max House, 1, Dr. Jha Marg, Okhla, New Delhi - 110 020.	U74140DL2011PLC218781	Subsidiary	100%	2 (87) of the Act.

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
3.	Antara Purukul Senior Living Limited Antara Senior Living Guniyal Gaon, P.O. Sinola Dehradun Dehradun, UR 248003	U74120UR1995PLC018283	Step down Subsidiary	100%	2 (87) of the Act.
4.	Antara Gurgaon Senior Living Limited. Max House 1, Dr. Jha Marg, Okhla New Delhi - 110 020.	U74140DL2012PLC244411	Step down Subsidiary	100%	2 (87) of the Act.
5.	Pharmax Corporation Limited Bhai Mohan Singh Nagar, Railmajra, Tehsil Balachaur Dist. Nawanshahr Punjab - 144 533	U24232PB1989PLC009741	Subsidiary	85.17%	2 (87) of the Act.
6.	Max Skill First Limited Max House, 1, Dr. Jha Marg, Okhla, New Delhi - 110 020.	U85199DL2003PLC119249	Subsidiary	100%	2 (87) of the Act.
7	Max One Distribution and Services Limited Max House 1, Dr. Jha Marg, Okhla New Delhi - 110 020.	U74140DL2013PLC254577	Step down Subsidiary	100%	2 (87) of the Act.
8.	Max Ateev Limited Max House 1, Dr. Jha Marg, Okhla New Delhi - 110 020.	U74899DL1994PLC060700	Subsidiary	100%	2 (87) of the Act.
9.	Max UK Limited Coveham House, Downside Bridge Road Cobham, Surrey KT11 3EP United Kingdom	NA	Subsidiary	100%	2 (87) of the Act.
10.	Advaita Allied Health Services Limited 167, Floor 1, Plot No. 167A, Ready Money Mansion, Dr. Annie Besant Road, Worly, Mumbai - 400018	U74999MH2019PLC320039	Subsidiary	100%	2 (87) of the Act.
11.	Max Healthcare Institute Limited 167, Floor 1, Plot No. 167A, Ready Money Mansion, Dr. Annie Besant Road, Worly, Mumbai - 400018	U72200DL2001PLC111313	Associate Company	49.70%	2 (6) of the Act.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	6287622	0	6287622	2.34	6287122	-	6287122	2.34	0.00
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	103667476	0	103667476	38.63	103667976	-	103667976	38.59	(0.04)
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	109955098	0	109955098	40.97	109955098	-	109955098	40.93	(0.04)
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	46922444	0	46922444	17.48	36434747	-	36434747	13.56	(3.92)
b) Banks / FI	83560	13250	96810	0.04	238692	13250	251942	0.09	0.05
c) Alternate Investment Funds	2004598	0	2004598	0.75	1536746	-	1536746	0.57	(0.18)
d) Central Govt	-	-	-	-	-	-	-	-	-
e) State Govt(s)	-	-	-	-	-	-	-	-	-
f) Venture Capital Funds	-	-	-	-	-	-	-	-	-
g) Insurance Companies	0	45750	45750	0.02	-	-	-	-	(0.02)
h) FIs	14929628	0	14929628	5.56	7259776	-	7259776	2.70	(2.86)
i) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
j) Foreign Portfolio Investors	50854176	0	50854176	18.95	63397427	-	63397427	23.60	4.65
k) Others (specify) FDI	8261049	0	8261049	3.08	8261049	0	8261049	3.08	0.00
Sub-total (B)(1):-	123055455	59000	123114455	45.87	117128437	13250	117141687	43.61	(2.26)
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	13616032	59251	13675283	5.10	9799086	58996	9858082	3.67	(1.43)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	14985228	1468689	16453917	6.13	18675628	1133447	19809075	7.37	1.24
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	2090425	0	2090425	0.78	7549663	194292	7743955	2.88	2.10
iii) NBFC registered with RBI	-	-	-	-	14900	-	14900	0.01	0.01
c) Others (specify)									
Non Resident Indians	1179197	17295	1196492	0.45	1076780	16615	1093395	0.41	(0.04)
Overseas Corporate Bodies	518	0	518	0.00	518	0	518	0.00	0.00
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	283155	0	283155	0.11	1749375	-	1749375	0.65	0.54
Trusts	2400	0	2400	0.00	2400	-	2400	0.00	0.00

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Directors & their relatives	1611322	0	1611322	0.60	751909	-	751909	0.28	(0.32)
Unclaimed Suspense Account	-	-	-	-	495244	-	495244	0.18	0.18
Sub-total (B)(2):-	33768277	1545235	35313512	13.16	40115503	1403350	41518853	15.46	2.30
Total Public Shareholding (B)=(B)(1)+ (B)(2)	156823732	1604235	158427967	59.03	157243940	1416600	158660540	59.07	0.04
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	266778830	1604235	268383065	100.00	267199038	1416600	268615638	100.00	0.00

B) Shareholding of Promoter

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 31-March-2018]			Shareholding at the end of the year [As on 31-March-2019]			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr. Analjit Singh	5876789	2.19	0.00	5876789	2.19	0.00	0.00
2	Mrs. Neelu Analjit Singh	100000	0.04	0.00	100000	0.04	0.00	0.00
3	Ms. Piya Singh	110333	0.04	0.00	110333	0.04	0.00	0.00
4	@Mr. Veer Singh	100500	0.04	0.00	100000	0.04	0.00	0.00
5	Ms. Tara Singh Vachani	100000	0.04	0.00	100000	0.04	0.00	0.00
6	Liquid Investment & Trading Co. P. Ltd	23818876	8.87	95.77	200000	0.07	100.00	(8.80)
7	Mohair Investment & Trading Co. (P) Ltd.	13690570	5.10	0.00	0	0	0.00	(5.10)
8	*Max Ventures Investment Holdings Private Ltd.	66158030	24.65	98.94	103467976	38.52	87.19	13.87

@ sold 500 shares to Max Ventures Investment Holdings Private Limited (promoter entity) through open market

* Pursuant to Composite Scheme of Amalgamation and Arrangement approved by the Hon'ble National Company Law Tribunal, New Delhi vide its order pronounced on September 10, 2018, Liquid Investment & Trading Company Private Limited and Mohair Investment & Trading Company Private Limited, both entities were part of Promoter Group merged with Max Ventures Investment Holdings Private Limited, another promoter group entity. The certified copy of the said order was received on September 14, 2018 which was submitted with the Registrar of Companies, NCT of Delhi and Haryana on September 28, 2018. The shares from the demat account of Mohair Investment & Trading Company Private Limited has been transferred into the demat account of Max Ventures Investment Holdings Private Limited pursuant to the aforesaid Scheme and the transfer of equity shares from the demat account of Liquid Investment & Trading Company Private Limited to Max Ventures Investment Holdings Private Limited is under process.

C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year[As on 31-March-2018]		Cumulative Shareholding during the year[As on 31-March-2019]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Analjit Singh				
	At the beginning of the year	58,76,789	2.19	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	58,76,789	2.19
2.	Mrs. Neelu Analjit Singh				
	At the beginning of the year	100,000	0.04	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	100,000	0.04
3.	Ms. Piya Singh				
	At the beginning of the year	110333	0.04	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	110,333	0.04
4.	Mr. Veer Singh				
	At the beginning of the year	100500	0.04	-	-
	Increase / Decrease in Shareholding during the year @04.09.2018	(500)	0.00	100,000	0.04
	At the end of the year	-	-	100,000	0.04
5.	Ms. Tara Singh Vachani				
	At the beginning of the year	100,000	0.04	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	100,000	0.04
6.	Liquid Investment & Trading Co. Pvt. Ltd				
	At the beginning of the year	2,38,18,876	8.87	-	-
	Increase / Decrease in Shareholding during the year (Shares transferred to Max Ventures Investment Holdings Pvt. Ltd., pursuant to Scheme of Amalgamation and Arrangement explained above.)	(2,36,18,876)	8.80	-	-
	At the end of the year	-	-	2,00,000	0.07
7.	Mohair Investment & Trading Company Pvt. Ltd.				
	At the beginning of the year	1,36,90,570	5.10	-	-
	Increase / Decrease in Shareholding during the year (Shares transferred to Max Ventures Investment Holdings Pvt. Ltd., pursuant to Scheme of Amalgamation and Arrangement explained above.)	(1,36,90,570)	5.10	0	0.00
	At the end of the year	-	-	0	0.00

SN	Particulars	Shareholding at the beginning of the year [As on 31-March-2018]		Cumulative Shareholding during the year [As on 31-March-2019]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
8.	Max Ventures Investment Holdings Pvt. Ltd				
	At the beginning of the year	6, 61, 58, 030	24.65	-	-
	Increase / Decrease in Shareholding during the year 04.09.2018 (Shares acquired from Liquid Investment & Trading Co. Pvt. Ltd and Mohair Investment & Trading Company Pvt. Ltd, pursuant to Scheme of Amalgamation and Arrangement explained above.)	5003, 73, 09, 446	0.0013.89	6, 61, 58, 53010, 34, 67, 976	24.6538.54
	At the end of the year	-	-	10, 34, 67, 976	38.52

@ sold shares to Max Ventures Investment Holdings Private Limited (promoter entity) through open market

**D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year [As on 31-March-2018]		Cumulative Shareholding during the Year [As on 31-March-2019]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Reliance Capital Trustee Company Limited				
	At the beginning of the year	14601201	5.44	-	-
	Increase / Decrease in Shareholding during the year				
	06.07.2018	605207	0.22	15206408	5.66
	13.07.2018	1163811	0.43	16370219	6.09
	20.07.2018	273620	0.10	16643839	6.19
	27.07.2018	90009	0.03	16733848	6.22
	03.08.2018	72000	0.03	16805848	6.25
	10.08.2018	671062	0.25	17476910	6.50
	17.08.2018	105430	0.04	17582340	6.54
	24.08.2018	38836	0.01	17621176	6.55
	31.08.2018	554500	0.21	18175676	6.76
	14.09.2018	200000	0.07	18375676	6.83
	28.09.2018	110200	0.04	18485876	6.87
	07.12.2018	673629	0.25	19159505	7.12
	21.12.2018	500000	0.19	19659505	7.31
	28.12.2018	(83398)	0.03	19576107	7.28
	25.01.2019	(839645)	0.30	18736462	6.98
	01.03.2019	(1367400)	0.51	17369062	6.47
	At the end of the year	-	-	17369062	6.47

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year [As on 31-March-2018]		Cumulative Shareholding during the Year [As on 31-March-2019]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2.	WF Asian Reconnaissance Fund Limited				
	At the beginning of the year	10160664	3.79	-	-
	Increase / Decrease in Shareholding during the year				
	01.06.2018	217855	0.08	10378519	3.87
	08.06.2018	152577	0.06	10531096	3.93
	03.08.2018	4000413	1.48	14531509	5.41
	10.08.2018	1200000	0.44	15731509	5.85
	17.08.2018	43832	0.02	15775341	5.87
	24.08.2018	1425755	0.53	17201096	6.40
	At the end of the year	-	-	17201096	6.40
3.	@Kotak Mahindra (International) Limited				
	At the beginning of the year	2315989	0.86	-	-
	Increase / Decrease in Shareholding during the year				
	28.12.2018	275638	0.10	2591627	0.96
	31.12.2018	512319	0.19	3103946	1.15
	18.01.2019	32344	0.01	3136290	1.16
	25.01.2019	658337	0.24	3794627	1.40
	08.02.2019	6386	0.00	3801013	1.40
	15.02.2019	401445	0.15	4202458	1.55
	22.02.2019	1408834	0.52	5611292	2.07
	01.03.2019	1235000	0.46	6846292	2.53
	15.03.2019	2000000	0.75	8846292	3.28
	22.03.2019	1391556	0.52	10237848	3.80
	29.03.2019	1159603	0.44	11397451	4.24
	At the end of the year	-	-	11397451	4.24
4.	UTI - Core Equity Fund				
	At the beginning of the year	8726614	3.25	-	-
	Increase / Decrease in Shareholding during the year				
	13.04.2018	100000	0.04	8826614	3.29
	27.04.2018	184268	0.07	9010882	3.36
	18.05.2018	117705	0.04	9128587	3.40
	31.08.2018	200000	0.07	9328587	3.47
	28.09.2018	185038	0.07	9513625	3.54
	At the end of the year	-	-	9513625	3.54
5.	International Finance Corporation				
	At the beginning of the year	8264481	3.08	-	-
	Increase / Decrease in Shareholding during the year				
	23.11.2018	(2042)	0.00	8262439	3.08
	30.11.2018	(1390)	0.00	8261049	3.08
	At the end of the year	-	-	8261049	3.08

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year [As on 31-March-2018]		Cumulative Shareholding during the Year [As on 31-March-2019]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6.	HDFC Life Insurance Company Limited				
	At the beginning of the year	10164686	3.79	-	-
	Increase / Decrease in Shareholding during the year				
	24.08.2018	(211483)	0.08	9953203	3.71
	21.12.2018	(488517)	0.18	9464686	3.53
	28.12.2018	(403000)	0.15	9061686	3.38
	31.12.2018	(2551)	0.00	9059135	3.38
	04.01.2019	(54391)	0.02	9004744	3.36
	11.01.2019	(40058)	0.01	8964686	3.35
	25.01.2019	(26814)	0.01	8937872	3.34
	01.02.2019	(104091)	0.04	8833781	3.30
	15.02.2019	(500000)	0.19	8333781	3.11
	01.03.2019	(520599)	0.20	7813182	2.91
	08.03.2019	(8966)	0.00	7804216	2.91
	15.03.2019	(39630)	0.01	7764586	2.90
	22.03.2019	(426404)	0.17	7338182	2.73
	29.03.2019	(28876)	0.01	7309306	2.72
	At the end of the year	-	-	7309306	2.72
7.	Doric Asia Pacific Small Cap (Mauritius) Limited				
	At the beginning of the year	5185546	1.93	-	-
	Increase / Decrease in Shareholding during the year				
	21.12.2018	300000	0.11	5485546	2.04
	28.12.2018	150000	0.06	5635546	2.10
	31.12.2018	280000	0.10	5915546	2.20
	04.01.2019	24768	0.01	5940314	2.21
	11.01.2019	1117058	0.42	7057372	2.63
	At the end of the year	-	-	7057372	2.63
8.	Target Value Fund				
	At the beginning of the year	6086172	2.27	-	-
	Increase / Decrease in Shareholding during the year				
	27.07.2018	(163733)	0.06	5922439	2.21
	03.08.2018	(165783)	0.06	5756656	2.15
	10.08.2018	(373050)	0.14	5383606	2.01
	24.08.2018	(18205)	0.00	5365401	2.01
	31.08.2018	(147105)	0.05	5218296	1.96
	07.09.2018	(42177)	0.01	5176119	1.91
	14.09.2018	(116000)	0.04	5060119	1.87
	21.09.2018	(8000)	0.00	5052119	1.87
	28.09.2018	296512	0.11	5348631	1.98
	12.10.2018	303000	0.11	5651631	2.09
	26.10.2018	120908	0.05	5772539	2.14
	30.11.2018	596769	0.22	6369308	2.36
	07.12.2018	400000	0.15	6769308	2.51
	14.12.2018	37561	0.01	6806869	2.52
	21.12.2018	35459	0.01	6842328	2.53
	01.02.2019	(900000)	0.34	5942328	2.19
	08.02.2019	(120000)	0.04	5822328	2.15
	01.03.2019	135000	0.05	5957328	2.20
	08.03.2019	96729	0.04	6054057	2.24
	15.03.2019	350000	0.14	6404057	2.38
	22.03.2019	47422	0.02	6451479	2.40
	29.03.2019	346559	0.13	6798038	2.53
	At the end of the year	-	-	6798038	2.53

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year [As on 31-March-2018]		Cumulative Shareholding during the Year [As on 31-March-2019]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
9.	L&T Mutual Fund Trustee Ltd				
	At the beginning of the year	10794000	4.02	-	-
	Increase / Decrease in Shareholding during the year				
	11.05.2018	100000	0.04	10894000	4.06
	18.05.2018	139403	0.05	11033403	4.11
	08.06.2018	25000	0.01	11058403	4.12
	22.06.2018	107685	0.04	11166088	4.16
	29.06.2018	321112	0.12	11487200	4.28
	13.07.2018	233683	0.09	11720883	4.37
	20.07.2018	5544	0.00	11726427	4.37
	27.07.2018	455000	0.17	12181427	4.54
	03.08.2018	89358	0.03	12270785	4.57
	08.03.2019	(1885900)	0.70	10384885	3.87
	15.03.2019	(2326500)	0.87	8058385	3.00
	22.03.2019	(347153)	0.13	7711232	2.87
	29.03.2019	(1092859)	0.41	6618373	2.46
	At the end of the year	-	-	6618373	2.46
10.	New York Life Insurance Company				
	At the beginning of the year	5154105	1.92	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	5154105	1.92
11.	#DSP Blackrock Small Cap Fund				
	At the beginning of the year	4949346	1.84	-	-
	Increase / Decrease in Shareholding during the year				
	06.04.2018	(380339)	0.14	4569007	1.70
	13.04.2018	(147611)	0.05	4421396	1.65
	20.04.2018	(139383)	0.05	4282013	1.60
	27.04.2018	(104007)	0.04	4178006	1.56
	11.05.2018	(2618150)	0.98	1559856	0.58
	18.05.2018	(166664)	0.06	1393192	0.52
	25.05.2018	(29000)	0.01	1364192	0.51
	01.06.2018	(17221)	0.00	1346971	0.51
	15.06.2018	(17012)	0.00	1329959	0.51
	06.07.2018	(1329959)	0.51	0	0.00
	At the end of the year	-	-	0	0.00

@ become member w.e.f. December 21, 2018

ceased to be a member w.e.f. July 6, 2018

E) Shareholding of Directors and Key Managerial Personnel:

Sl. No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year [As on 31-March-2018]		Cumulative Shareholding during the year [As on 31-March-2019]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Mohit Talwar, Managing Director				
	At the beginning of the year	2,87,186	0.10	-	-
	Increase / Decrease in Shareholding during the year @05.04.2018	28,281	0.01	3,15,467	0.11
	At the end of the year	-	-	3,15,467	0.11
2.	Mr. Rahul Khosla, Director				
	At the beginning of the year	10,86,986	0.41	-	-
	Increase / Decrease in Shareholding during the year #23.01.2019 @19.03.2019	(10,86,986) 1,94,292	0.41 0.07	0 1,94,292	0.00 0.07
	At the end of the year	-	-	1,94,292	0.07
3.	Mr. Ashwani Windlass, Director				
	At the beginning of the year	1,62,850	0.06	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	1,62,850	0.06
4.	Ms. Tara Singh Vachani, Director				
	At the beginning of the year	100,000	0.04	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	100,000	0.04
5.	\$Mr. K. Narasimha Murthy, Independent Director				
	At the beginning of the year	-	-	5,000	0.00
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	5,000	0.00
6.	Mr. Jatin Khanna - CFO				
	At the beginning of the year	16,750	0.00	0	0
	Increase / Decrease in Shareholding during the year @05.04.2018	5,000	0.00	21,750	0.00
	At the end of the year	-	-	21,750	0.00
7.	Mr. V. Krishnan - CS				
	At the beginning of the year	15,100	0.00	-	-
	Increase / Decrease in Shareholding during the year @05.04.2018	5,000	0.00	20,100	0.00
	At the end of the year	-	-	20,100	0.00

@ Allotment of equity shares under ESOP Scheme of the Company

Sale of equity shares through open market

\$ Appointed as an Independent Director effective December 24, 2018

- V) **INDEBTEDNESS** -Indebtedness of the Company including interest outstanding / accrued but not due for payment. :
NIL

	Secured Loans excluding deposits & Working Capital Limits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and / or Manager:

S. N.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount (Rs.)
		Mr. Mohit Talwar, MD	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1, 78, 23, 674	1, 78, 23, 674
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961 except stock options	39, 600	39, 600
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option [^]	23, 19, 042	23, 19, 042
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit		
	- others, specify...		
5	Others:		
	- Company Contribution to PF	-	-
	- Medical Remibursements	-	-
	- Medical Insurance Premium	-	-
	- Personal Accident Insurance Premium	-	-
	Total (A)	2, 01, 82, 316	2, 01, 82, 316
	Ceiling as per the Act		NA

[^] Perquisite value of stock options exercised during the year.

B. Remuneration (sitting fees) to other directors:

SN.	Particulars of Remuneration	Name of Directors							Total Amount (Rs.)
		Mr. Rahul Khosla (NED)	Mrs. Tara Singh Vachani (NED)	Mr. K. Narasimha Murthy (ID)	Mr. Ashok Kacker (ID)	Mr. Dinesh Kumar Mittal (ID)	Mrs. Sharmila Tagore (ID)	Mr. Ashwani Windlass (NED)	
1	Independent Directors:								
	Fee for attending board committee meetings	--	--	2,00,000	33,00,000	27,00,000	1,00,000	--	63,00,000
	Commission	--	--	--	--	--	--	--	-
	Others, please specify	--	--	--	--	--	--	--	--
	Total (1)	--	--	2,00,000	33,00,000	27,00,000	1,00,000	--	63,00,000
2	Other Non-Executive Directors:								
	Fee for attending board committee meetings	17,00,000	7,00,000	--	--	--	--	18,00,000	42,00,000
	Commission	--	--	--	--	--	--	--	--
	Others, please specify	--	--	--	--	--	--	--	--
	Total (2)	17,00,000	7,00,000	--	--	--	--	18,00,000	42,00,000
	Total Remuneration	17,00,000	7,00,000	2,00,000	33,00,000	27,00,000	1,00,000	18,00,000	1,05,00,000

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SI No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount (Rs.)
		CEO	Mr. V. Krishnan CS	Mr. Jatin Khanna CFO	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	1,27,95,240	99,69,613	2,27,64,853
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961 except stock options	-	32,400	39,600	72,000
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option [^]	-	27,51,950	27,51,950	55,03,900
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit				
	- others, specify...				
5	Others:				
	- Company Contribution to PF	-	4,55,931	4,24,320	8,80,251
	- Medical Rembursement		-	-	-
	- LTA		-	85,000	85,000
	- Medical Insurance Premium				
	- Personal Accident Insurance Premium		460	460	920
	Total (A)	-	1,60,35,981	1,32,70,943	2,93,06,924

[^] Perquisite value of stock options exercised during the year.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment			None		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			None		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			None		
Compounding					

Annexure 3

Form AOC-1
(Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the Financial Statement of subsidiaries / associate companies / joint ventures
Part "A" - Subsidiaries

Sl. No.	Name of Subsidiary Company	Reporting period for the subsidiary concerned	Reporting Currency and Exchange rate as on the last date of relevant financial year in the case of foreign subsidiaries	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of Shareholding
1	Max Bupa Health Insurance Co. Ltd.	31.03.2019	INR	98,100.00	(71,854.34)	999,49.60	73,703.94	81,557.43	71,505.21	(4,838.68)	-	(4,838.68)	-	51.00%
2	Pharmax Corporation Ltd	31.03.2019	INR	555.92	1,967.46	4,400.37	1,876.99	828.41	1,799.32	1,109.08	(38.57)	1,147.65	-	85.17%
3	Max Ateev Ltd	31.03.2019	INR	3,144.36	(3,858.64)	1.45	715.72	-	-	(20.21)	-	(20.21)	-	100.00%
4	Max Skill First Ltd	31.03.2019	INR	969.50	(1,727.17)	2,739.74	3,497.40	9.07	5,288.50	(171.90)	80.66	(252.56)	-	100.00%
5	Max One Distribution and Services Ltd	31.03.2019	INR	560.00	(529.95)	32.34	2.29	-	2.39	(0.60)	0.00	(0.60)	-	100.00%
6	Antara Senior Living Ltd	31.03.2019	INR	32,916.42	(6,382.30)	26,989.26	455.15	159.58	86.03	(1,815.85)	-	(1,815.85)	-	100.00%
7	Antara Purukul Senior Living Ltd	31.03.2019	INR	25,882.71	(19,575.25)	37,465.32	31,157.86	143.09	6,421.98	(2,894.44)	-	(2,894.44)	-	100.00%
8	Antara Gurgaon Senior Living Ltd	31.03.2019	INR	5.00	(3.60)	1.88	0.49	-	-	(1.11)	-	(1.11)	-	100.00%
9	Max UK Ltd	31.03.2019	1 GBP = 90.47 INR	213.00	(42.20)	182.57	11.77	-	57.70	5.28	1.04	4.24	-	100.00%

Note:

The Company is in process of divestment of its entire shareholding in Max Bupa Health Insurance Company Limited (Max Bupa). Therefore, Investment of the Company in Max Bupa has been classified as held for sale in the standalone financial statements and disclosed as discontinuing operations in the consolidated financial statements. Further, figures of Max Bupa as give above, are as per IRDA financials.

Part "B" - Associates and Joint Ventures**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures
(Amt in Rs Lacs)**

Name of Associates/Joint Ventures	Max Healthcare Institute Ltd
(1) Latest audited Balance Sheet date	31-Mar-19
(2) Shares of Associates/Joint Ventures held by the company on the year end	266, 997, 937 equity shares of Rs. 10/- each fully paid-up
Amount of Investment in Associates/Joint Ventures	70, 569.55
Extend of Holding %	49.70%
(3) Description of how there is significant influence	Max India Ltd. holds 49.70% of share capital in Max Healthcare Institute Ltd.
(4) Reason why the associate/joint venture is not consolidated	NA
(5) Networth attributable to Shareholding as per latest audited Balance Sheet (as per MHIL Consolidated Financials)	47, 869.29
(6) Profit/Loss for the year	(19.02)
i. Considered in Consolidation	(9.45)
ii. Not Considered in Consolidation	(9.57)

1. Names of associates or joint ventures which are yet to commence operations : **Nil**

2. Names of associates or joint ventures which have been liquidated or sold during the year : **Nil**

For and on behalf of the Board of Directors of Max India Limited

Mohit Talwar
(Managing Director)
DIN - 02394694

Ashok Brijmohan Kacker
(Director)
DIN - 01647408

Jatin Khanna
(Chief Financial Officer)

V. Krishnan
(Company Secretary)

Place: Gurugram
Date: May 29, 2019

Place: New Delhi
Date: May 29, 2019

Dividend Distribution Policy

Background:

As per Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations"), the top five hundred listed entities based on the market capitalization (calculated as on March 31, of every financial year) shall formulate a dividend distribution policy which shall be disclosed in their annual reports and on their websites.

Max India Limited being one out of top 500 listed entities based on market capitalization as on March 31, 2017 has formulated a dividend distribution policy as approved by the Board of Directors of the Company.

Objective:

The objective of the Dividend Distribution Policy ("the policy") is to broadly specify the external and internal factors including financial parameters that shall be considered while declaring dividend. The policy is broadly in line with the provisions of the Companies Act, 2013 and SEBI Regulations ("applicable laws") read with the relevant clauses of the Articles of Association of the Company, to the extent applicable.

The policy establishes the principles to ascertain amounts that can be distributed to equity shareholders as dividend by the Company as well as enable the Company strike balance between pay-out and retained earnings, in order to address future needs of the Company.

The Company currently has no other class of shares. Therefore, dividend declared will be distributed amongst all equity shareholders, based on their shareholding on the record date.

Dividends will generally be recommended by the Board once a year, after the announcement of the full year results and before the Annual General Meeting (AGM) of the shareholders. The Board may also declare interim dividends as may be permitted as per the applicable laws.

The profits being retained in the business shall be continued to be deployed in the Company and thus contributing to the

growth to the business and operations of the Company. The Company stands committed to deliver sustainable value to all its stakeholders.

Parameters for declaration of Dividend

Internal Factors / Financial Parameters The Board of Directors of the Company would consider the following financial parameters and factors before declaring or recommending dividend to shareholders:

- Operating cash flow of the Company
- Profits earned during the year
- Profits available for distribution
- Earnings Per Share (EPS)
- Dividend, if any, declared by Subsidiary / Associate Company (ies).
- Working capital requirements
- Capital expenditure requirement
- Business expansion and growth
- Likelihood of crystalization of contingent liabilities, if any
- Additional investment in subsidiaries and associates of the company
- Creation of contingency fund
- Acquisition of brands and business
- Cost of Borrowing
- Past dividend payout ratio / trends

External Factors

- Economic environment
- Statutory provisions and guidelines
- Dividend pay out ratios of companies in the same industry

Circumstances under which the shareholders may or may not expect Dividend

The Company shall not recommend dividend if it is of the opinion that it is financially not prudent to

do so. The shareholders of the Company may not expect Dividend under the following circumstances:

- In case the Company is undertaking significant expansion which would require higher allocation of resources
- If the Company requires significant amount of working capital to fund its future growth
- In case the Company proposes to utilise surplus cash for buy back of securities
- Whenever the Company undertakes any acquisitions or joint ventures requiring significant allocation of capital or in case the company expands its stake in any of these entities
- In the event of inadequacy of profits or whenever the Company has incurred losses

The Company may declare dividend out of the profits of the Company for the year or out of the profits for any previous year(s) or out of the free reserves available for distribution of Dividend, after having due regard to the parameters laid down in this Policy.

Modification of the Policy

The Board of Directors is authorised to change/amend this policy from time to time at its sole discretion and/or in pursuance of any amendments made in the applicable laws.

Disclosure:

The policy will be available on the Company's website and will also be disclosed in the Company's annual report.

Appointment criteria, qualification & remuneration policy in terms of section 178 of the companies act, 2013 (“the act”) and listing (obligations and disclosure requirements) regulations, 2015 (“Listing Regulations”)

Preamble

In terms of Section 178 of the Act and Regulation 19_of Listing Regulations and amendments thereto, the Nomination & Remuneration Committee (“NRC”) shall formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel (“KMP”), Senior Management and other employees.

Appointment Criteria and Qualification

It is the responsibility of the NRC to develop competency requirements for the Board based on the industry and strategy of the Company. For this purpose, the NRC shall identify and ascertain the integrity, qualification, expertise and experience of the proposed appointee, conduct appropriate reference checks and due diligence before recommending him /her to the Board.

For the appointment of KMPs [other than Managing Director/ Whole time Director/Manager/CEO], Senior Management and other employees, a person should possess adequate qualification, expertise and experience for the position, he / she is considered for the appointment.

In terms of amended Listing Regulations, Senior management shall mean officers/personnel of the Company who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the chief executive officer/ managing director/ whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer.

Remuneration Policy

The remuneration policy of the Company is aimed at rewarding the performance, based on review of achievements on a regular basis and is in consonance with the existing industry practice. This Policy has been adopted in accordance with the requirements of Section 178 of the Act with

respect to the appointment and remuneration of the Directors, Key Managerial Personnel and Senior Management.

Objective

Attract, motivate, and retain key talent by enabling sustenance of a high performance culture with differentiated rewards for high performers who live by the values of the Company.

The policy reflects the Company’s objectives for good corporate governance as well as sustained long term value creation for shareholders.

Applicability

This Policy applies to full time employees of the Company including KMPs, Senior Management and Executive Directors.

Guiding principle

Our compensation programs, practices and policies are reviewed and re-evaluated periodically.

Remuneration linked to level of job responsibility, individual performance and company performance

- At higher levels of responsibility where direct imprint on business results and strategy is higher an increasing proportion of pay will be linked to business performance and creation of shareholder value.
- Strong differentiation in fixed pay increases and variable pay for top performers
- With a view to balancing the twin objectives of pay-for-performance and retention, the programs would ensure retention and motivation of high performers

Balance long-term focus linked to shareholder value and short-term financial objectives.

- Equity-based remuneration would be higher for those

at higher levels of responsibility and influence on long-term results

- Annual variable pay as a reward for achievement of short-term performance goals that support and ensure long-term success

Reflect value of job in the marketplace.

- Remain competitive with the pay of other employers who compete with us for talent in the relevant markets to attract and retain a highly skilled workforce
 - **Fixed Pay increase :** Top performers would receive 1.5 to 2 times the increase awarded to performers who meet expectations
 - **Annual Variable Pay :** Top performers would receive 2 times the rate of variable pay for performers who meet expectations
 - **Award of Long Term Incentives / ESOPs :** Taking into account individual performance, potential, criticality of the role / individual for the Company, relative market worth & assessed retention value, inputs from the management team, the MD would recommend award of ESOPs

Performance Management & Remuneration

- Remuneration decisions are based on the outcomes of the annual performance review process, based on the G & M framework. The performance evaluation process has four key steps - Self Evaluation, Manager Evaluation, Potential / Readiness Assessment and Developmental Planning
- Performance is assessed at two levels - Goals (G Review) and Competencies (M Review)

- G Rating determines Variable Pay, M Rating determines Fixed Pay increase

- Performance ratings are normalized in cohorts to adhere to an overall normal distribution

Potential, Development & Readiness

- Performance Review, Career Aspirations - Feb. / March
 - o Individual and manager discussions
- Multi rater feedback - July
 - o Feedback for individuals using a 360 survey process once in 2 years
 - o Annual Engagement survey providing feedback on organization and people managers
- Development Planning & Mid-year performance review - Sept.
 - o Basis performance review discussions, inputs from Hogan assessment & 360 feedback
 - o Organization wide Talent and Succession planning & review - Oct. / Nov.
 - o In depth functional planning & review including inputs from 360, engagement survey, supervisor, peer feedback, development planning
 - o Organization wide consolidation
- The above is a key input for the annual & long term strategic business planning in Dec./Jan.

Report on Corporate Social Responsibility (CSR) Activities

1. A Brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the weblink to the CSR policy and project or programs.

The Board of Directors has adopted a CSR policy as recommended by the Corporate Social Responsibility Committee. The CSR Policy comprises Vision and Mission Statement, philosophy and objectives. It also explains the governance structure along with clarity on each one's roles and responsibilities. The same can be viewed at <https://goo.gl/wDNBZ8>

Under the said policy, the Company had proposed to undertake or contribute for the activities relating to community development, promotion of healthcare and education etc.

2. The Composition of the CSR Committee.

The CSR Committee as on March 31, 2019 comprised of Mr. Ashok Kacker and Mr. Dinesh Kumar Mittal, Independent Directors and Mrs. Tara Singh Vachani, Non-executive Director.

3. Average net profit of the Company for last three financial years: Rs.1247 Lakhs

4. Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above) :

Rs.25 Lakhs for the financial year ended March 31, 2019.

5. Details of CSR spent during the financial year 2018-19:

- a) Total amount to be spent for the financial year 2018-19 : Rs. 25Lakhs
- b) Amount unspent, if any: Nil
- c) Manner in which the amount spent during the financial year is detailed below :

Sl. No.	CSR project or Activity identified	Sector in which the project is covered	Projects or Programs (1) Local area or Other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or programs wise (Rs. Lakhs)	Amount spent on the projects or programs Sub-heads: (Rs. Lakhs)		Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
					Direct expenditure on Project/ Programme	Overheads		
1	Health Centre - <ul style="list-style-type: none"> • Health Awareness • Maintenance of toilets made by MIF • Cleanliness and upkeep of school • Maintenance of solar lights installed by MIF 	Healthcare	Purkul Village- Dehradun, Uttarakhand	5.75	5.75	Nil	5.75	Max India Foundation (MIF)
2	NGO work on Healthcare Platform- <ul style="list-style-type: none"> • Health Camps and counseling sessions • Nutrition Support to children of Purkal Youth Development Society and John Martyn Memorial School 	Healthcare	Chandrothi Village, Dehradun Uttarakhand	19.25	19.25	Nil	19.25	
TOTAL				25.00	25.00	NIL	25.00	

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report : Not Applicable as the contribution made for CSR was already spent.

7. Responsibility statement:

The CSR Committee of Max India Limited do confirm that the Company has implemented and monitored the CSR policy in compliance with its CSR objectives.

Mohit Talwar
Managing Director
DIN: 02394694

Ashok Kacker
Chairman of CSR Committee
DIN: 01647408

May 29, 2019
New Delhi

PARTICULARS OF EMPLOYEES
INFORMATION AS PER SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT
FOR THE YEAR ENDED March 31, 2019

Sr. No.	Name	Age (Yrs.)	Designation	Nature of duties	Remuneration (In Rs.)	Qualification	Date of Commencement of employment	Experience (Yrs.)	Last Employment Held		Position held	
										Organisation		
Details of top ten employees in terms of remuneration, includes all employees who were in receipt of remuneration of (A) Rs. 102, 00, 000/- per annum or more or (B.) Rs.8, 50, 000/- per month or more, if employed for part of the year												
A. Employed throughout the year												
1	Chadha Pradeep Pal	52	Dy. Director - Finance & Treasury	Finance & Treasury	8, 608, 802	B. Com (Hons) LLB, CA	15.01.2016	25	Max Financial Services Limited (formerly known as Max India Limited)	Deputy Director- Finance & Treasury		
2	Dwarakanath Patnam	72	Head - Group Human Capital	Group Human Resources	35, 309, 503	B. Sc., LLB, PGDM (PM & IR)	15.01.2016	49	Max Financial Services Limited (formerly known as Max India Limited)	Director - Group Human Capital		
3	Hoskote, Prashant	53	Senior Director - Quality & Service Excellence	Quality & Service Excellence	17, 973, 133	B.Sc., Diploma in Computer Science & Management, Certified Trainer & Facilitator from the Juran Institute, INC. USA	15.01.2016	32	Max Financial Services Limited (formerly known as Max India Limited)	Sr. Director - Quality & Service Excellence		
4	Krishnan, V	55	Company Secretary	Company Secretary	16, 035, 981	B.Com, FCS	15.01.2016	34	Max Financial Services Limited (formerly known as Max India Limited)	Company Secretary		
5	Khanna Jatin	40	Chief Financial Officer	Finance	13, 270, 943	CA, PGPMAX-ISB	15.01.2016	19	Max Financial Services Limited (formerly known as Max India Limited)	Associate Director - Corporate Development		
6	Khosla Sakshi	39	Associate Director - Human Capital	Human Resources	7, 241, 300	PGDMS (HR), Master in Applied Psychology	15.01.2016	15	Max Financial Services Limited (formerly known as Max India Limited)	General Manager - Human Capital		
7	Narang Dilbagh Singh	48	Director - Taxation	Taxation	10, 278, 730	B. Com, CA	15.01.2016	21	Max Financial Services Limited (formerly known as Max India Limited)	Deputy Director- Taxation		

Sr. No.	Name	Age (Yrs.)	Designation	Nature of duties	Remuneration (In Rs.)	Qualification	Date of Commencement of employment	Experience (Yrs.)	Last Employment Held Organisation	Position held
8	Raj Rishi	42	Director - Strategy & Corporate Development	Strategy & Corporate Development	14,503,403	PGDBM, B.A. (Hons) Economics	14.04.2016	20	McKinsey & Company	Senior Practice Manager (COO) of Strategy and Trends Analysis Center
9	Talwar, Mohit	59	Managing Director	General Management	20,182,316	Post Graduate (Arts), Post Graduate (Hospitality Management)	15.01.2016	40	Max Financial Services Limited (formerly known as Max India Limited)	Deputy Managing Director
10	Thakur Nitin	45	Director - Brand & Communications	Communication	10,724,958	B. Com, PGDBM	15.01.2016	22	Max Financial Services Limited (formerly known as Max India Limited)	Director- Brand & Communications
B. Employed for part of the year										
11	Basu Shahana	51	Director - Legal & Regulatory Affairs	Legal & Regulatory Affairs	9,583,381	Degree of Juris Doctor from Yale Law School, Connecticut and M.A. Sociology from University of Chicago	01.02.2016	20	Amira Pure Foods Pvt. Ltd.	Global General Counsel
						NIL				

Notes :

- 1 Remuneration includes salary, allowances, value of rent free accommodation, bonus, value of ESOPs exercised, medical expenses, leave travel assistance, personal accident and health insurance, Company's contribution to Provident, Pension, Gratuity and Superannuation fund, leave encashment and value of perquisites, as applicable.
- 2 None of the above employees is a relative of any director of the Company.
- 3 All appointments are/were contractual in accordance with the terms and conditions as per Company Rules/Policies.
- 4 Mr. Mohit Talwar holds 3,65,377 equity shares constituting 0.14% of the equity share capital of the Company as of the date of this report.
- 5 None of the above employees hold 2% or more equity shares of the Company, by himself/herself or alongwith his/her spouse and dependent children.

Mohit Talwar
Managing Director
DIN: 02394694

Ashok Kacker
Chairman of CSR Committee
DIN: 01647408

May 29, 2019
New Delhi

Information required under Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, is appended below:

- (i) Ratio of remuneration of each Director to the median remuneration of all employees of the Company for the financial year ended 2018-19 is as follows:

Mr. Mohit Talwar: 9.27: 1

- (ii) Percentage increase in the remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year 2018-19 is as follows:

Name	Designation	% Increase in Remuneration in FY18-19 vs. FY17-18
Mr. Mohit Talwar *	Managing Director	-36.9%
Mr. Jatin Khanna **	Chief Financial Officer	3.9%
Mr. V. Krishnan ***	Company Secretary	17.6%

Note:

- 1) Non-executive Directors have been receiving remuneration in the form of Sitting Fees for attending the meetings of Board of directors or committee thereof, therefore their remuneration details have not been considered while disclosing particulars under S. No. (i) and (ii) above.
 - 2) * There has been an increase of 12% in fixed remuneration paid to Mr. Mohit Talwar for the FY18-19 in comparison to FY17-18. However, total remuneration paid to him has decreased by 36.9% on account of perquisite value of Rs.0.23 crores being the ESOPs exercised by him during FY 18-19 as against Rs. 1.89 crores during FY 17-18.
 - 3) ** There has been an increase of 17.8% in fixed remuneration paid to Mr. Jatin Khanna for the FY18-19 in comparison to FY17-18. However, total remuneration paid to him has increased by 3.9% on account of perquisite value of Rs. 27.52 Lakhs being the ESOPs exercised by him during FY 18-19 and his remuneration of FY 17-18 includes the performance bonus of both FY 16-17 and FY 17-18.
 - 4) *** There has been an increase of 10.5% in fixed remuneration paid to Mr. V. Krishnan for the FY18-19 in comparison to FY17-18. However, total remuneration paid to him has increased by 17.6% on account of perquisite value of Rs.27.52 Lakhs being the ESOPs exercised during FY 18-19 and a one-time special payout of Rs. 20 lakhs paid in FY 18-19.
- (iii) The Percentage increase in the median remuneration of all employees (including Managing Director) in the financial year 2018-19 was 6.84%.
- (iv) The number of permanent employees (including Managing Director) on the rolls of the Company as on March 31, 2019 was 48.
- (v) The average percentage increase in remuneration of employees other than managerial personnel (and including the impact of ESOPs exercised) in the financial year 2018-19 was 10.44 %.
- (vi) The Company confirms that remuneration paid during the financial year 2018-19, is as per the Remuneration Policy of the Company.

During Financial year 2018-19, the Company did not have any employee who received remuneration in excess of Director(s) and held 2% or more of the equity shares in the Company along with spouse and/or dependent children.

Annexure 8

Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

Max India Limited

(L85100PB2015PLC039155)

419, Bhai Mohan Singh Nagar,

Village Railmajra, Tehsil Balachaur,

NawanShehar, Punjab-144533

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Max India Limited** (hereinafter called the Company) for the financial year ended March 31, 2019. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

We report that-

- a) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
- c) We have not verified the correctness and appropriateness of the financial statements of the Company.
- d) Wherever required, we have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc.

- e) The compliance of the provisions of the corporate and other applicable laws, rules, regulation, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- f) The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;

- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, where applicable;
- (v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) *The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - (h) *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR');

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

We have also examined compliance with the applicable clauses of the Secretarial Standard on Meetings of the Board of Directors and on General Meetings issued by the Institute of Company Secretaries of India with which the company has generally complied with.

During the audit period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, to the extent applicable as mentioned above.

- vi) The Company is having investment in various subsidiaries and a joint Venture Company and primarily engaged in growing and nurturing these business investments and providing shared services to various group Companies.

We have checked the compliance management system of the Company to obtain reasonable assurance about the adequacy of systems in place to ensure compliance of specifically applicable laws and this verification was done on test basis. We believe that the Audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to explanations given to us, we believe that the compliance management system of the Company is adequate to ensure compliance of laws specifically applicable to the Company. As informed by the management, there is no sector specific law applicable to the Company.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Board of Directors in its Board meeting held on December 24, 2018 has pursuant to the provisions of Section 230 to 232 and other applicable provisions of Companies Act, 2013 and subject to the approval of Hon'ble NCLT and any other regulatory authority, has approved the composite scheme of Amalgamation and Arrangement between the Company, Max Healthcare Institute Limited, Radiant Life Care Private Limited and the wholly owned subsidiary of the Company i.e. Advaita Allied Health Services Limited.

We further report that during the audit period the Board of Directors has passed a resolution for divestment of entire shareholding of the Company in Max Bupa Health Insurance Company Limited, a material subsidiary of the

Company subject to the approval of shareholders and any other regulatory authority such as IRDAI, comprising of 51% of Max Bupa's total issued and paid-up share capital to True North (either directly or through any of its Affiliates) for an enterprise value of Rs. 1, 001 crores basis of the paid up capital of Max Bupa as on January 31, 2019.

We further report that during the audit period the Company has sought approval from its shareholders by way of postal ballot for shifting of Registered Office of the Company from the State of Punjab to Mumbai, State of Maharashtra subject to approval of Regional Director, Northern Region.

For Sanjay Grover & Associates
Company Secretaries
Firm Registration No.: P2001DE052900
Devesh Kumar Vasisht
Partner
CP. No. 13700

New Delhi
May 29, 2019

Business Responsibility Report

Financial Year 2018-19

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

- Corporate Identity Number (CIN) of the Company :**
L85100PB2015PLC039155
- Name of the Company :** Max India Limited
- Registered address:** 419, Bhai Mohan Singh Nagar, Village Railmajra, Tehsil Balachaur, District Nawanshahr, Punjab - 144533
- Website:** www.maxindia.com
- E-mail id:** corpsecretarial@maxindia.com
- Financial Year reported:** FY 2018-19
- Sector(s) that the Company is engaged in (industrial activity code-wise):**

Sr. No.	Name and Description of main products/ services	NIC code of the product/ services
1.	Shared Services	70200- Management consultancy activities
2.	Investment Activity	64300- Trusts, funds and other financial vehicles
3.	Investing in Subsidiaries	64200- Activities of holding companies

- List three key products/services that the Company manufactures/provides (as in balance sheet):**
 - Management Consultancy Services
 - Investing Activities
 - Investing in Subsidiaries and Joint Venture Company
- Total number of locations where business activity is undertaken by the Company:**

The Company operates from its Corporate Office at New Delhi.

- Markets served by the Company:**

Being a Holding Company, the Company is having investments in various subsidiaries and joint ventures and primarily engaged in growing and nurturing these business investments and providing management

consultancy/ shared services to group companies in India only.

One of the Wholly-owned subsidiaries (WOS) of the Company namely Max UK Limited operates in UK.

SECTION B : FINANCIAL DETAILS OF THE COMPANY

- Paid-up capital :** Rs. 53.72 crore
- Total turnover (Total income) :** Rs. 56.46 crore
- Total profit/(Loss) after tax (PAT):** Rs. (18.49) crore
- Total spending on CSR as percentage of profit after tax :** Rs.25 Lakhs, being 2% of Average net profits of the Company under section 198 of the Companies Act, 2013 for last three financial years.
- List of the activities in which expenditure in 4 above has been incurred :** Please refer Annexure-6 of Board's Report

SECTION C: OTHER DETAILS

- Does the Company have any Subsidiary Company/ Companies? :** Yes
- Do the Subsidiary Company/Companies participate in the BR initiatives of the Parent Company? If yes, then indicate the number of such Subsidiary Company(s)**

The Company encourages all its operating subsidiaries to follow similar practices for Corporate Governance as the Parent Company does.

- Do any other entity/entities (e.g., suppliers, distributors, etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities [Less than 30%, 30-60%, More than 60%]:**

No

SECTION D : BR INFORMATION

- Details of Director(s) responsible for BR :**

DIN: 02394694

Name: Mr. Mohit Talwar

Designation: Managing Director

2. Details of the BR head :

Name : Mr. Jatin Khanna

Designation: Chief Financial Officer

Telephone number: (011) 42598000

Email ID: jkhanna@maxindia.com

3. Principle-wise BR policy/policies: Included in this report**4. Governance related to BR :** Included in this report**PREFACE**

The Company, being a Holding Company, is having investments in various subsidiaries and joint venture Company and primarily engages in growing and nurturing these business investments and providing shared services/ management consultancy services to group companies.

Max India Foundation, a CSR arm of the Max Group has been responsible to implement the CSR programmes of the Company and focuses on healthcare, sanitation, safe drinking water, environment protection, financial literacy & insurance awareness and village adoption. It is committed to attaining the highest standards of service in protecting and enhancing the financial future of its customers by adhering to a set of values that is shared across the Group – Sevabhav (spirit of service), Excellence and Credibility.

SECTION E: PRINCIPLE-WISE PERFORMANCE**Principle 1 - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability****1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs /Others?**

The Company has developed its Code of Conduct, Whistle Blower Policy and Anti Bribery Policy. These policies are available at corporate website of the Company i.e. www.maxindia.com.

The Company also encourages its subsidiaries to follow these policies.

2. How many stakeholder complaints have been received in the past financial year and what**percentage was satisfactorily resolved by the management?**

There were no stakeholder complaints received in the reporting period with regard to ethics, bribery and corruption.

During the financial year ended March 31, 2019, 1 (one) complaint / query was received by the Company for the shareholders, which were general in nature regarding non-receipt of share certificate, the same has been since responded.

Principle 2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle**1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

As explained above, the Company is not carrying out any manufacturing operations. The Company is having investments in various subsidiaries and joint ventures and primarily engaged in growing and nurturing these business investments and providing Management Consultancy Services to its group companies.

The Company endeavors to contribute to sustainability and conservation of resources in all possible manners. All Board level meetings have been made paperless. The agenda and other background papers for meetings of Board and committees thereof have been accessed electronically by directors through a secured IT Platform. Regular efforts are made to conserve the energy through various means such as use of low energy consuming lightings etc.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

- i. Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain? : Not applicable
- ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year? : Not applicable

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?

The Company, being a holding Company, is relatively less resource intensive in terms of material inputs. Our major material requirements are office, communications and IT related equipment. Despite the limited scope of our procurement needs, we continue to take initiatives to ensure responsible sourcing in all respects. We have a Code of Conduct for our senior employees and business associates, which outlines our expectations from them and ethical business practices. Therefore, it is not possible to ascertain the percentage of inputs that are sourced sustainably.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes - Materials pertaining to office stationary, IT consumables are purchased from local vendors. The Company, from time-to-time takes initiatives for upgrading skills of housekeeping and security staff.

5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (as <5%, 5-10%, >10%).

Used batteries are regularly given to authorised vendors for recycling in exchange of new batteries. Further, metal scrap is sold to our empanelled scrap dealers at best competitive quotes. It is difficult to arrive at %age of recycle products and wastes.

Principle 3 - Businesses should promote the wellbeing of all employees

1. **Please indicate the total number of employees:**
48 Permanent Employees as on March 31, 2019.
2. **Please indicate the total number of employees hired on temporary / contractual / casual basis:**

4 Employees on Fixed Term Contract and 4 Retainers / Consultants as on March 31, 2019.

3. **Please indicate the number of permanent women employees** - 14 Permanent Female Employees as on March 31, 2019.
4. **Please indicate the number of permanent employees with disabilities:** NIL
5. **Do you have an employee association that is recognised by management?** : No
6. **What percentage of your permanent employees is members of this recognized employee association?** : Not Applicable
7. **Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year** : Nil
8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

- **Permanent Employees:** Approximately 21% employees participated in Classroom Training Sessions and 90% employees had access to Virtual/Online Learning
- **Permanent Women Employees:** Approximately 43% Female employees participated in Classroom Training Sessions and 86% Female employees had access to Virtual/Online Learning.
- **Casual/Temporary/Contractual Employees:** Approximately 63% Fixed Term Contractual employees participated in Classroom Training Sessions and had access to Virtual / Online Learning
- **Employees with Disabilities:** Not Applicable

Principle 4 - Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1. Has the Company mapped its internal and external stakeholders?

Yes. Employees and the Board of directors are the

internal stakeholder group while Subsidiaries /JV Companies, shareholders, investors, regulators, vendors and the community in the vicinity of our projects are primarily the external stakeholder groups of the Company.

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?

Yes

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders

Yes, the Company regularly undertakes initiatives to engage with its internal and external stakeholders. The Company has processes in place to ensure upholding of the rights of its employees and protect them against any form of discrimination. Regular learning and development activities are being carried out for employees for their skill enhancement. The Company also has robust mechanisms in place which ensures full, fair, accurate, timely and understandable disclosures to all our Shareholders and investors.

Principle 5 - Businesses should respect and promote human rights

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?

The Company ensures that all its policies are complied with as per conventionally understood provisions of human rights. The Company policies such as whistle blower policy and prevention against sexual harassment of women at workplace are extended to all across the Group. We encourage our vendors and business associates to follow similar policies. There is no discrimination whatsoever in the Company on the basis of cast, creed, race, gender, religion or physical handicap.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

The Company has not received any complaints from any stakeholders pertaining to human rights.

Principle 6 - Business should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others

The Company is committed to conduct its business in a manner that protects the natural environment. Being a Holding Company with no manufacturing operations, the Company doesn't have any adverse impact on environment.

2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

As stated above, the Company is not carrying out any manufacturing operations and therefore, it doesn't have any significant direct environmental impacts. However, regular efforts are made to conserve the energy through various means.

3. Does the Company identify and assess potential environmental risks? Y/N

Not Applicable for the reason stated in point no. 1 above.

4. Does the Company have any project related to Clean Development Mechanism? If Yes, whether any environmental compliance report is filed?

Not Applicable for the reason stated in point no. 1 above.

5. Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc.? Y/N. If yes, please give hyperlink for web page etc.

As stated in point no. 2 above.

6. Are the Emissions / Waste generated by the Company within the permissible limits given by CPCB / SPCB for the financial year being reported?

Not Applicable

7. Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e. not

resolved to satisfaction) as on end of Financial Year.

Nil

Principle 7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your Company a member of any trade and chamber or association? If yes, name only those major ones that your business deals with

- a) Federation of Indian Chambers of Commerce and Industry (FICCI);
- b) Confederation of Indian Industry (CII) and
- c) International Market Assessments, India (IMA)

2. Have you advocated / lobbied through above associations for the advancement or improvement of public good ? Yes / No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

We do not engage in lobbying activities but actively participate in forums that impact the interest of stakeholders in general in the broad areas of governance, sustainable business development, taxes, etc.

Principle 8 - Businesses should support inclusive growth and equitable development

1) Does the Company have specified programs / initiatives / projects in pursuit of the policy related to Principle 8? If yes details thereof.

CSR work of the Company primarily focuses on creating social inclusion and equitable development in the communities in the vicinity of Max Group Companies.

2) Are the programs / projects undertaken through in-house team / own foundation / external NGO/ government structures/any other organization?

The programs are implemented through Max India Foundation, a CSR arm of the MAX Group.

3) Have you done any impact assessment of your initiative? No

4) What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

The above details forms part of the report on Corporate Social Responsibility (CSR) Activities enclosed as Annexure- 6 to the Board's Report.

5) Have you taken steps to ensure that this Community Development initiative is successfully adopted by the community? Please explain in 50 words, or so.

The Community development initiatives of the Company have been explained in detail Business Responsibility review section of Annual Report.

Principle 9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner

Being a Holding Company, the Company is having investments in various subsidiaries and Joint Venture Company and primarily engaged in growing and nurturing these business investments and providing management consultancy services to group companies and therefore, the Company does not have customers or consumers under the scope of this BRR.

1. What percentage of Customer complaints/ consumer cases are pending as on the end of financial year: Nil

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (additional information): N.A.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year: Nil

4. Did your Company carry out any consumer survey / consumer satisfaction trends?: No

Standalone Financial Statements

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INDEPENDENT AUDITOR'S REPORT

To the Members of Max India Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Max India Limited ("the Company"), which comprise the Balance sheet as at March 31, 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its loss including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance

with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Impairment of investments in subsidiary companies (as described in note 2(e) of the standalone Ind AS financial statements)	
<p>During the current year, impairment indicators were identified in Company's investments in certain subsidiaries namely Max Bupa Health Insurance Limited ("Max Bupa") and Antara Senior Living Limited ("ASLL").</p> <p>As a result, an impairment assessment was required to be performed by comparing the carrying value of these subsidiaries to their recoverable amount to determine whether an impairment was required to be recognized. The recoverable amount was determined in accordance with IND AS 36 Impairment of Assets to be the higher of the fair value less cost of disposal, represented by the fair value of these subsidiaries, and the value in use, determined by discounting future cash flows.</p> <p>There are uncertainties involved in estimating the recoverable amount of investment in subsidiaries, which principally arose from the inputs in both forecasting and discounting future cash flows new senior living projects launched by ASLL. To determine the recoverable amount of the investment in subsidiary companies was one of the key judgement area in preparing the standalone financial statements due to a combination of the significance of the investments in the subsidiaries and the inherent uncertainty in the assumptions supporting the recoverable amount of these investments. Accordingly, the impairment of investments in subsidiary companies has been identified to be a key audit matter in our audit of the standalone financial statements.</p>	<p>Our audit procedures include the following:</p> <ul style="list-style-type: none"> • we involved valuation specialists, to assess the Company's valuation methodology applied in determining the recoverable amounts. • We involved valuation specialists to assess the assumptions, drivers of the cash flow forecasts • In making this evaluation, we also assessed the objectivity and independence of Company's specialists involved in the process. • We have read the binding sale agreement entered between the Company and True North Fund VI LLP for the proposed sale of Company's stake in Max Bupa.

We have determined that there are no other key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the director report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and

fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for

expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation

precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 28(c) to the standalone Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Sanjay Vij
Partner
Membership No. 095169

Place of Signature: : Gurugram
Date: May 29, 2019

Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date.

Re: **Max India Limited** ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property plant and equipment.
 - (b) Property plant and equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
 - (c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company and hence not commented upon.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 4(ii) of the Order are not applicable to the Company and hence not been commented upon.
- (iii) 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 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) 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, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, sales-tax, service tax, goods and services act, value added tax, and other material statutory dues applicable to it. The provisions relating to duty of excise, employees' state insurance, duty of custom, cess 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, income-tax, service tax, goods and services tax, value added tax, 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 duty of excise, employees' state insurance, duty of custom, cess are not applicable to the Company.
- (c) According to the information and explanations given to us, there are no dues of income tax, value added taxes, service tax, goods and services tax which have not been deposited on account of any dispute. The provisions related to employees' state insurance, duty of excise, duty of customs and are not applicable to the Company.
- viii) The Company did not have any outstanding dues in respect of debenture holders, financial institutions, banks, or Government during the year.
- (ix) According to information and explanation given by the management, the Company has not raised any money by way of initial public offer/further public offer/debt instruments and term loans, hence reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report

that no fraud by the Company or on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or

partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

(xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Sanjay Vij
Partner
Membership Number: 095169

Place of Signature : Gurugram

Date: May 29, 2019

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MAX INDIA LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Max India Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls [based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal

financial controls over financial reporting with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that

could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone financial statements and

such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Sanjay Vij
Partner
Membership No. 095169

Place of Signature: Gurugram
Date: May 29, 2019

Balance Sheet as at March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Notes	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Assets				
Non-current assets				
Property, plant and equipment	3	312.41	254.41	276.33
Capital work-in-progress	3	-	134.08	-
Investment in subsidiaries and joint venture	4	108,623.16	151,867.53	120,417.88
Financial Assets				
(i) Loans	6a	2,105.69	910.20	6,240.04
Non-current tax assets	11	274.14	124.00	158.39
Other non-current assets	7a	7,351.57	7,378.10	7,320.00
Deferred tax assets (net)	18	254.02	56.73	-
		118,920.99	160,725.05	134,412.64
Current assets				
Financial Assets				
(i) Investments	5	3,225.85	12,700.34	30,971.30
(ii) Trade receivables	8	3,219.49	1,483.32	1,141.65
(iii) Cash and cash equivalents	9	27.00	47.97	60.59
(iv) Loans	6b	176.15	3.41	4.84
(v) Other financial assets	10	45.62	48.18	-
Other current assets	7b	420.32	776.82	59.08
		7,114.43	15,060.04	32,237.46
Non current assets held for sale	12	50,031.02	-	-
Total assets		176,066.44	175,785.09	166,650.10
Equity and liabilities				
Equity				
Equity share capital	13a	5,372.31	5,367.66	5,345.40
Other equity	13b	167,528.74	169,211.15	160,232.54
		172,901.05	174,578.81	165,577.94
Non-current liabilities				
Financial liabilities				
(i) Other financial liabilities	14a	137.12	173.79	106.46
Provisions	15a	360.16	316.12	265.51
Deferred tax liabilities (net)	18	-	-	113.63
		497.28	489.91	485.60
Current liabilities				
Financial liabilities				
(i) Trade payables	16			
(a) Total outstanding dues of micro enterprises and small enterprises		-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		535.49	115.61	165.05
(ii) Other financial liabilities	14b	61.32	87.57	76.40

	Notes	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Other current liabilities	17	425.53	321.48	185.99
Provisions	15b	1, 645.77	191.71	159.12
		2, 668.11	716.37	586.56
Total equity and liabilities		176, 066.44	175, 785.09	166, 650.10

Summary of significant accounting policies 2
 Other notes to accounts 25-41

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 No. 301003E/E300005
 Chartered Accountants

per Sanjay Vij
 Partner
 Membership No.: 095169

Place: Gurugram
 Date: May 29, 2019

For and on behalf of the Board of Directors of Max India Limited

Mohit Talwar
 (Managing Director)
 DIN - 02394694

Jatin Khanna
 (Chief Financial Officer)

Place: New Delhi
 Date: May 29, 2019

Ashok Brijmohan Kacker
 (Director)
 DIN - 01647408

V. Krishnan
 (Company Secretary)

Statement of Profit and loss for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
Income			
Revenue from operations	19	5,594.90	6,375.76
Other income	20	51.58	174.38
Total income		5,646.48	6,550.14
Expenses			
Employee benefits expense	21	2,819.75	2,668.22
Depreciation and amortization expense	22	123.31	86.99
Other expenses	23	2,969.43	2,619.39
Provision for indemnity	12	1,428.00	-
Total expenses		7,340.49	5,374.60
(Loss) / Profit before tax		(1,694.01)	1,175.54
Tax expense :	18		
Current tax		354.00	807.48
Deferred tax		(198.80)	(169.01)
Income tax adjustment related to earlier years		-	(29.94)
(Loss) / Profit for the year		(1,849.21)	567.01
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss in subsequent periods			
Re-measurement gains/(losses) on defined benefit plans	26	5.18	(3.91)
Income tax effect	18	(1.51)	1.35
Other comprehensive income for the year		3.67	(2.56)
Total comprehensive income for the year		(1,845.54)	564.45
Earnings per equity share:			
	24		
(1) Basic		(0.69)	0.21
(2) Diluted		(0.69)	0.21

Summary of significant accounting policies

2

Other notes to accounts

25-41

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 No. 301003E/E300005
Chartered Accountants

per Sanjay Vij
Partner
Membership No.: 095169

Place: Gurugram
Date: May 29, 2019

For and on behalf of the Board of Directors of Max India Limited

Mohit Talwar
(Managing Director)
DIN - 02394694

Jatin Khanna
(Chief Financial Officer)

Place: New Delhi
Date: May 29, 2019

Ashok Brijmohan Kacker
(Director)
DIN - 01647408

V. Krishnan
(Company Secretary)

Statement of changes in equity for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

A. Equity share capital :

Equity shares of INR 10/- each issued, subscribed and fully paid	Number of shares	Amount
At April 01, 2017	267, 270, 049	5, 345.40
Issue of share capital	1, 113, 016	22.26
At March 31, 2018	268, 383, 065	5, 367.66
Issue of share capital	232, 573	4.65
At March 31, 2019	268, 615, 638	5, 372.31

B. Other equity

	Reserves and Surplus					Total
	Securities premium	Employee stock options outstanding (refer note 27)	Capital reserve	Retained earnings	Share warrants	
At April 01, 2017	133.53	368.06	156, 917.05	2, 813.90	-	160, 232.54
Profit for the year	-	-	-	567.01	-	567.01
Premium on issue of equity shares during the year	129.15	(129.15)	-	-	-	-
Premium on issue of equity shares under ESOP	671.96	-	-	-	-	671.96
ESOP expenses recognized during the year	-	93.66	-	-	-	93.66
Fair valuation of ESOP	-	148.54	-	-	-	148.54
Amount received during the year	-	-	-	-	7, 500.00	7, 500.00
Other Comprehensive Income	-	-	-	(2.56)	-	(2.56)
At March 31, 2018	934.64	481.11	156, 917.05	3, 378.35	7, 500.00	169, 211.15
Loss for the year	-	-	-	(1, 849.21)	-	(1, 849.21)
Premium on issue of equity shares during the year	166.82	(166.82)	-	-	-	-
ESOP expenses recognized during the year	-	88.79	-	-	-	88.79
Fair valuation of ESOP	-	74.34	-	-	-	74.34
Share warrants forfeited during the year (Refer note 13b)	-	-	7, 500.00	-	(7, 500.00)	-
Other Comprehensive Income	-	-	-	3.67	-	3.67
At March 31, 2019	1, 101.46	477.42	164, 417.05	1, 532.81	-	167, 528.74
Summary of significant accounting policies	2					
Other notes to accounts	25-41					

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 No. 301003E/E300005
Chartered Accountants

per **Sanjay Vij**
Partner
Membership No.: 095169

Place: Gurugram
Date: May 29, 2019

For and on behalf of the Board of Directors of Max India Limited

Mohit Talwar
(Managing Director)
DIN - 02394694

Jatin Khanna
(Chief Financial Officer)

Place: New Delhi
Date: May 29, 2019

Ashok Brijmohan Kacker
(Director)
DIN - 01647408

V. Krishnan
(Company Secretary)

Cash flow statement for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	For the year ended March 31, 2019	For the year ended March 31, 2018
A CASH FLOW FROM OPERATING ACTIVITIES		
Net (Loss)/profit before tax	(1, 694.01)	1, 175.54
Add:		
Depreciation and Amortisation	123.31	86.99
Interest income	(206.49)	(870.49)
Net loss on sale of fixed assets	11.74	0.50
Net profit on sale of current investments	(567.21)	(862.91)
Fair value gain/(loss) on mutual funds	(32.71)	(539.76)
Fair valuation impact on CRPS	(136.64)	(122.79)
Financial guarantee income	(36.67)	(169.15)
Liability/ provisions no longer required written back	(0.12)	-
Provision for indemnity	1, 428.00	-
Provision for doubtful advances - subsidiary	4.30	3.33
Employee stock option expense	129.09	193.29
Operating (Loss)/profit before working capital changes	(977.41)	(1, 105.45)
Add: Working Capital Changes :		
Financial Assets		
(Increase) / decrease in loans (non-current)	(1, 195.49)	5, 329.84
(Increase) / decrease in other non-current assets	26.53	(58.10)
(Increase) in trade receivables (current)	(1, 736.17)	(341.67)
(Increase) in loans (current)	(9.44)	(2.81)
(Increase) / decrease in other financial assets (current)	2.56	(48.18)
(Increase) / decrease in other current assets	390.54	(668.83)
Financial liabilities		
Increase / (decrease) in other financial liabilities	(0.60)	222.00
Increase in provisions	75.28	79.29
Increase / (decrease) in trade payables	420.00	(49.44)
Decrease in other current liabilities	104.05	135.49
Cash Flow from operations	(2, 900.15)	3, 492.14
Less: Direct taxes paid (net)	(504.14)	(743.15)
NET CASH FROM (USED IN) OPERATING ACTIVITIES (A)	(3, 404.29)	2, 748.99
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets, including CWIP and capital advances	(99.65)	(178.16)
Proceeds from sale of fixed assets	15.03	4.16
Investment in Subsidiaries and Joint Ventures	(6, 650.01)	(31, 326.86)
Purchase of investments in mutual funds	(24, 471.96)	(46, 414.20)
Proceeds from sale/maturity of current investments	34, 546.37	66, 087.83
Interest received	38.89	870.40

	For the year ended March 31, 2019	For the year ended March 31, 2018
NET CASH FROM (USED IN) INVESTING ACTIVITIES (B)	3, 378.67	(10, 955.83)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital (including security premium a/c)	4.65	694.22
Proceeds from issue of share warrants	-	7, 500.00
NET CASH FROM (USED IN) FINANCING ACTIVITIES (C)	4.65	8, 194.22
NET CHANGES IN CASH AND CASH EQUIVALENTS (A+B+C)	(20.97)	(12.62)
Cash And Cash Equivalents - Opening Balance	47.97	60.59
Cash And Cash Equivalents - Closing Balance	27.00	47.97
NET INCREASE/ (DECREASE) IN CASH & CASH EQUIVALENTS	(20.97)	(12.62)

The above cash flow statement has been prepared under the 'indirect method' as set out in Accounting Standard - 3 on "Cash Flow Statement".

Summary of significant accounting policies

2

Other notes to accounts

25-41

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 No. 301003E/E300005
Chartered Accountants

For and on behalf of the Board of Directors of Max India Limited

Mohit Talwar
(Managing Director)
DIN - 02394694

Ashok Brijmohan Kacker
(Director)
DIN - 01647408

per Sanjay Vij
Partner
Membership No.: 095169

Jatin Khanna
(Chief Financial Officer)

V. Krishnan
(Company Secretary)

Place: Gurugram
Date: May 29, 2019

Place: New Delhi
Date: May 29, 2019

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

1. Corporate information

The standalone financial statements comprise financial statements of Max India Limited (the Company) for the year ended March 31, 2019. Max India Limited is a public limited company registered under Companies Act, 2013 and incorporated on January 01, 2015. The shares of the Company are listed on National Stock Exchange (NSE) and BSE Limited (BSE) effective July 14, 2016.

The Company is primarily engaged in making business investment in its subsidiaries and providing management advisory services to the group companies.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 29, 2019.

2. Basis of preparation

During the current year, the Company ceased to be a core investment company (non systemically important) as per the Non-Banking Financial Company (NBFC) Rules defined under the RBI Act, 1934. Accordingly the standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). For all periods up to and including the year ended March 31, 2018, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2019 are the first the Company has prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standard) Rules, 2015, as amended. Refer to note 37 for information on how the Company adopted Ind AS.

The standalone financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been

measured at fair value

(i) Certain financial assets and liabilities that are measured at fair value

(Amount in INR lakhs, unless otherwise stated)

Financial Statement are presented in INR and all values are rounded to nearest Lakhs (INR 00, 000) except when otherwise stated.

a) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when it is:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve

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months after the reporting period

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b) Property, plant and equipment

On transition to Ind AS, the Company has applied exemption of Ind AS and elected to continue with the carrying value of all of its property, plant and equipment as at March 31, 2017, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment as on April 01, 2017.

Property, Plant and equipment including capital work in progress are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of CENVAT, VAT and GST credit availed wherever applicable. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their respective useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset are derecognised when replaced. Further, when

each major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Capital work in progress includes cost of property, plant and equipment under installation/under development as at the balance sheet date.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

c) Depreciation on Property, Plant and Equipment

Cost of Tangible Assets, less its residual value, is depreciated on pro-rata basis on Straight Line Method over the useful life of the assets estimated by the management. Pursuant to this policy, assets are depreciated over the following term-

Furniture and Fixtures	10 years
Office Equipment	3-5 years
IT Equipment (End user devices)	3 years
IT Equipment (Servers and network)	6 years
Vehicles	3-8 years
Leasahod Improvement	3 years (life of lease)

The Company, based on technical assessment made by technical expert and management

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estimate, depreciates above mentioned items over estimated useful lives. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

d) Leases

Company as a lessee:

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at fair value of the leased property on inception date or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

e) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating units' (CGUs) fair value less cost of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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 assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

In determining fair value less cost of disposal, recent market transactions are taken into account.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing

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rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, are recognised in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised 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 recognised. 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 recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

f) Provisions, Contingent liabilities, Contingent Assets, and Commitments

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a 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. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the

reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities

Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will not be required to settle the obligation
- A present obligation arising from past events, when no reliable estimate is possible
- A possible obligation arising from past events, unless the probability of outflow of resources is remote

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are recognized when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate. A contingent asset is disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting date.

g) Retirement and other Employee Benefits

Provident fund

The Company contributed to employees provident fund benefits through a trust "Max Financial Services Limited Provident Fund Trust" managed by Max Financial Services Limited (erstwhile Max

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India Limited) whereby amounts determined at a fixed percentage of basic salaries of the employees are deposited to the trust every month. The benefit vests upon commencement of the employment. The interest rate payable by the trust to the beneficiaries every year is notified by the government and the Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The Company has obtained actuarial valuation to determine the shortfall, if any, as at the Balance Sheet date.

Gratuity

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

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit (liabilities/assets). The Company recognized the following changes in the net defined benefit obligation under employee benefit expenses in statement of profit and loss.

- (i) Service cost comprising current service cost, past service cost, gain & loss on curtailments and non routine settlements.
- (ii) Net interest expenses or income.

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. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. 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 12 months, the same is presented as non-current liability.

Short-term obligations

Liabilities for wages and salaries, including non monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employee service upto the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

h) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets

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not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two broad categories:

- a) Debt instruments at amortised cost
- b) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

Debt instrument at amortised cost: A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. EIR is the rate that exactly discount the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate to the gross carrying amount of financial assets. When calculating the effective interest rate the company estimate the expected

cash flow by considering all contractual terms of the financial instruments. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTPL: FVTPL is a residual category for financial assets. Any Financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L. Interest income from these debt instruments is included in other income.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Notes to financial statements for the year ended March 31, 2019

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Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e., removed from the Company's statement of financial position) when:

- the rights to receive cash flows from the asset have expired, or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement and either;
 - (a) the Company has transferred the rights to receive cash flows from the financial assets or
 - (b) the Company has retained the contractual right to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred its right to receive cash flows from an asset or has entered into a pass through agreement, the Company evaluates whether it has transferred substantially all the risks and rewards of the ownership of the financial assets. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all the risks and rewards of the ownership of the financial assets, the financial asset is not derecognized.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all the risks and rewards of the ownership of the financial assets. In such cases, the financial asset is derecognized. Where the

entity has not transferred substantially all the risks and rewards of the ownership of the financial assets, the financial asset is not derecognized.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Financial assets measured at amortised cost; e.g. Loans, Security deposits, trade receivable, bank balance, other financial assets etc.

Financial guarantee contracts measured at fair value through profit or loss (FVTPL)

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible

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within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Company estimates the following provision matrix at the reporting date:

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, financial guarantee obligations etc.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities measured at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial

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recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The company has not designated any financial liability as at fair value through profit and loss.

Financial Guarantee Contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Trade Payables

These amounts represents liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using EIR method.

De-recognition

A financial liability is derecognised when the

obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

i) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

j) Foreign currencies

The financial statements are presented in INR, which is also the Company's functional and presentation currency.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the company uses an average rate if the average approximates the actual rate at the date of the transaction.

Measurement of foreign currency items at the

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balance sheet date

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

k) Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date. The Company determines fair value based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i) In the principal market for the asset or liability, or
- ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best

economic interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company determines the policies and procedures for recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

External valuers are involved for valuation of significant assets, such as financial assets and significant liabilities. Involvement of external valuers is decided upon annually by the management. The management decided, after discussions with the Company's external valuers which valuation techniques and inputs to use for each case.

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At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- a) Disclosures for valuation methods, significant estimates and assumptions (note 32)
- b) Quantitative disclosures of fair value measurement hierarchy (note 33)
- c) Financial instruments (including those carried at amortised cost) (note 32)
- d) Investment in unquoted equity shares of subsidiary (note no 4)

I) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

- i) Rendering of services -Revenues from Shared services are recognized over the period of the contract as and when services are rendered. The company collects service tax & GST on behalf

of the government and, therefore, it is not an economic benefit flowing to the company. Hence, it is excluded from revenue.

The Company considers in determining the transaction price for the sale of services, whether there are other promises in the contract that are separate performance obligation to which a portion of transaction price needs to be allocated.

Contract balances

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets for further reference.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Other revenue streams:

- i) **Interest income** -Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms

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of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

m) Taxes

Tax expense comprises current and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. 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 recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- ii) In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.
- iii) The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at

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the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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 taxes relate to the same taxable entity and the same taxation authority.

Deferred tax includes Minimum Alternate Tax (MAT) 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 specified period.

n) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

o) Investment in Subsidiaries

The investment in subsidiaries are carried at cost as per IND AS 27. Investment carried at cost is tested for impairment as per IND AS 36. An investor, regardless of the nature of its involvement with an entity (the investee), shall determine whether it is a parent by assessing whether it controls the investee.

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

p) Non-current assets held for sale

The Company classifies non-current assets and disposal company as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortised.

q) Share-based payments

Employees of the Company receive remuneration in the form of share based payment transaction, whereby employees render services as a consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognized, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents

the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognized for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognized is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

3. Property, plant and equipment

	Furniture & Fixtures	Vehicles	Office equipments	Computers and data processing units	Leasehold Improvements	Total	Capital work in progress
At deemed cost							
At April 01, 2017*	10.59	206.10	24.46	35.18	-	276.33	-
Additions	-	56.55	1.60	11.58	-	69.73	134.08
Disposals	-	5.20	0.55	-	-	5.75	-
At March 31, 2018	10.59	257.45	25.51	46.76	-	340.31	134.08
Additions	0.87	10.81	5.65	38.31	152.44	208.08	57.31
Disposals	8.99	28.13	5.51	0.39	-	43.02	191.39
At March 31, 2019	2.47	240.13	25.65	84.68	152.44	505.37	-
Accumulated depreciation							
At April 01, 2017	-	-	-	-	-	-	-
Charge for the year	1.75	63.24	7.14	14.86	-	86.99	-
Disposals	-	1.05	0.04	-	-	1.09	-
At March 31, 2018	1.75	62.19	7.10	14.86	-	85.90	-
Charge for the year	1.14	56.03	6.87	18.56	40.71	123.31	-
Disposals	2.63	11.68	1.74	0.20	-	16.25	-
At March 31, 2019	0.26	106.54	12.23	33.22	40.71	192.96	-
Net block							
At April 01, 2017	10.59	206.10	24.46	35.18	-	276.33	-
At March 31, 2018	8.84	195.26	18.41	31.90	-	254.41	134.08
At March 31, 2019	2.21	133.59	13.42	51.46	111.73	312.41	-

* The Company has elected Ind-AS 101 exemption and continued with the carrying value for all of its Property, Plant and Equipment as its deemed cost as at the date of transition i.e. April 01, 2017. However, the information regarding gross block of assets and accumulated depreciation has been disclosed by the Company separately as follows

Particulars	Furniture & Fixtures	Vehicles	Office equipments	Computers and data processing units	Leasehold Improvements	Total	Capital work in progress
Gross block	54.77	352.26	90.14	133.33	355.51	986.01	-
Accumulated depreciation	44.18	146.16	65.68	98.15	355.51	709.68	-
Deemed cost as at April 01, 2017	10.59	206.10	24.46	35.18	-	276.33	-

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

4. Investments in subsidiaries and joint ventures

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
A. Investment Carried at cost			
(i) Investments in unquoted equity instruments of subsidiary companies			
Max Bupa Health Insurance Co. Limited			
Nil (March 31, 2018 : 472, 260, 000, April 01, 2017 : 472, 260, 000) shares of INR 10/- each fully paid-up (refer note 12)	-	47, 226.01	47, 226.01
Pharmax Corporation Limited			
47, 122, 747 (March 31, 2018 : 47, 122, 747, April 01, 2017 : 47, 122, 747) shares of INR 10/- each fully paid-up	1, 420.81	1, 420.81	1, 420.81
Antara Senior Living Limited			
8, 000, 000 (March 31, 2018 : 8, 000, 000, April 01, 2017 : 8, 000, 000) shares of INR 10/- each fully paid-up	800.00	800.00	800.00
Max UK Limited			
299, 742 (March 31, 2018 : 299, 742, April 01, 2017 : 299, 742) shares of INR 10/- each fully paid-up	213.00	213.00	213.00
Less: Impairment allowance	(213.00)	(213.00)	(213.00)
Max Ateev Limited			
31, 443, 600 (March 31, 2018 : 31, 443, 600, April 01, 2017 : 31, 443, 600) shares of INR 10/- each fully paid-up	3, 144.36	3, 144.36	3, 144.36
Less: Impairment allowance	(3, 144.36)	(3, 144.36)	(3, 144.36)
Max Skill First Limited			
9, 095, 000 (March 31, 2018 : 9, 095, 000, April 01, 2017 : 9, 095, 000) shares of INR 10/- each fully paid-up	1, 022.87	1, 022.87	1, 022.87
Less: Impairment allowance	(447.87)	(447.87)	(447.87)
(ii) Investment in compulsorily convertible preference shares (in nature of equity) (note a below)			
Antara Senior Living Limited			
32, 116, 417 (March 31, 2018 : 28, 271, 417, April 01, 2017 : 18, 321, 417) Zero Coupon Compulsorily Convertible Preference shares of INR 100/- each fully paid-up	32, 116.42	28, 271.42	18, 321.42
(iii) Investment in Joint Venture			
Max Healthcare Institute Limited			
266, 997, 937 (March 31, 2018 : 266, 997, 937, April 01, 2017 : 246, 848, 537) shares of INR 10/- each fully paid up (refer note 40)	70, 569.55	70, 569.55	49, 412.68
B) Investments carried at fair value through profit and loss			
i) Investment in preference shares of subsidiary companies			
Pharmax Corporation Limited (Note b below)			
1, 500, 000 (March 31, 2018 : 1, 500, 000, April 01, 2017 : 1, 500, 000) 9% Preference shares of INR 100/- each fully paid-up	2, 671.04	2, 534.40	2, 411.62
C) Additional investments in Antara Purukul Senior Living Ltd (refer C below)	470.34	470.34	250.34
	108, 623.16	151, 867.53	120, 417.88
Aggregate amount of unquoted investments	108, 623.16	151, 867.53	120, 417.88
Aggregate amount of quoted investments	-	-	-

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

- Terms of Compulsorily Convertible Preference Shares ('CCPS') - 1 CCPS to be converted into 10 equity shares at any time within the tenor of 10 years from the date of issue at the option of the shareholder at a par value. In case, the Company decides to go for an IPO or any corporate action including issuance of equity on preferential basis, rights or a bonus issue, the shareholder shall have the right for early/prior conversion.
- 9% Cumulative Redeemable Preference Shares are to be redeemed on or before 31st March 2020 i.e 20 years from the date of issue of the said redeemable preference shares.
- Guarantee has been given by the Company on behalf of its step down subsidiary, Antara Purukul Senior Living Limited for loan of Rs. Nil (March 31, 2018: Rs.Nil, April 01, 2017: Rs.25, 000.00 lakhs) from Axis Bank Limited and for loan of Rs. 22, 000.00 lakhs (March 31, 2018: Rs.22, 000 lakhs, April 01, 2017: Rs.Nil) from Aditya Birla Finance Limited and Bajaj Finance Limited.

Carrying amount of the related corporate guarantee is Rs.Nil lakhs (March 31, 2018 - Nil , April 1, 2017 - Rs. 25, 033.89 lakhs) from Axis Bank Limited, Rs. 12, 761.01 lakhs (March 31, 2018 - Rs. 21, 696.16 lakhs, April 1, 2017 - Rs. Nil) from Aditya Birla Finance Limited and Rs. 6, 487.48 lakhs (March 31, 2018 - Rs. Nil, April 1, 2017 - Rs. Nil) from Bajaj Finance Limited.

5. Current Investments

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Investment carried at fair value through profit and loss (FVTPL)			
Investment in mutual funds (unquoted)			
Axis Liquid Fund- Direct Plan Growth			
49, 105 (March 31, 2018 : Nil, April 01, 2017 : Nil) units of INR 1000 each fully paid	1, 018.20	-	-
Aditya Birla Sun Life Cash Plus - Growth Direct Plan Growth			
158, 993 (March 31, 2018 : Nil, April 01, 2017 : 1, 895, 100) units of INR 100 each fully paid	477.67	-	4, 952.07
DFHL Pramerica Insta Cash Plus Fund - Direct Plan Growth			
Nil (March 31, 2018 : Nil, April 01, 2017 : 741, 093) units of INR 100 each fully paid	-	-	1, 566.35
DSP BlackRock Liquidity Fund -Direct Growth			
Nil (March 31, 2018 : Nil, April 01, 2017 : 280, 058) units of INR 1000 each fully paid	-	-	6, 513.53
Franklin India Treasury Management Account Fund			
Nil (March 31, 2018 : 86, 669, April 01, 2017 : Nil) units of INR 1000 each fully paid up	-	2, 251.22	-
IDFC Cash Fund - Direct Plan Growth			
Nil (March 31, 2018 : 36, 071, April 01, 2017 : Nil) units of INR 1000 each fully paid	-	761.17	-
JM High Liquidity Fund (Direct) Growth			
Nil (March 31, 2018 : 4, 248, 757, April 01, 2017 : 14, 800, 894) units of INR 10 each fully paid	-	2, 021.24	6, 588.38

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Invesco India Liquid Fund Direct Plan Growth			
Nil (March 31, 2018 : 100, 465, April 01, 2017 : 76, 992) units of INR 1000 each fully paid	-	2, 403.20	1, 723.60
Kotak Liquid - Direct Plan Growth			
5, 998 (March 31, 2018 : Nil, April 01, 2017 : Nil) units of INR 1000 each fully paid	226.99	-	-
L&T India Liquid Fund- Direct Fund Growth			
Nil (March 31, 2018 : 136, 772, April 01, 2017 : 140, 003) units of INR 1000 each fully paid	-	3, 259.10	3, 122.12
SBI Liquid Fund- Direct Plan Growth			
20, 662 (March 31, 2018 : Nil, April 01, 2017 : Nil) units of INR 1000 each fully paid	605.09	-	-
Sundram Money Fund- Direct Plan Growth			
2, 278, 263 (March 31, 2018 : Nil, April 01, 2017 : Nil) units of INR 10 each fully paid	897.90	-	-
UTI Money Market Fund - Direct Fund Growth			
Nil (March 31, 2018 : 102, 804, April 01, 2017 : 356, 604) units of INR 1000 each fully paid	-	2, 004.41	6, 505.25
Total	3, 225.85	12, 700.34	30, 971.30
Aggregate amount of unquoted investments	3, 225.85	12, 700.34	30, 971.30
Aggregate amount of quoted investments	-	-	-

6a. Loans (Non-current)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Loans at amortised cost (unsecured, considered good)			
Loan to related parties (refer note below)	1, 933.81	700.00	6, 150.00
Security deposits	149.18	208.63	86.50
Loans to employees	22.70	1.57	3.54
	2, 105.69	910.20	6, 240.04

Loan given to Antara Purukul Senior Living Limited (APSL) at an interest rate of market borrowing rate plus 0.50%. Loan is repayable in two half yearly installments commencing from February 2024.

Refer Note 31 for term and conditions relating to transaction with related parties.

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

6b. Loans (Current)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Loans at amortised cost			
Loans to employees - unsecured, considered good	7.64	2.50	4.84
Interest accrued on deposit - unsecured, considered good (refer note 31)	168.51	0.91	-
Loans to related parties - credit impaired (refer note 31)	2,626.11	2,621.81	2,618.48
	2,802.26	2,625.22	2,623.32
Less: Impairment loss allowance	(2,626.11)	(2,621.81)	(2,618.48)
	176.15	3.41	4.84

7a. Other assets (Non Current)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Unsecured, considered good			
Capital advances	7,320.00	7,320.00	7,320.00
Prepaid expenses	31.57	58.10	-
	7,351.57	7,378.10	7,320.00

7b. Other assets (Current)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Unsecured, considered good			
Prepaid expenses	56.41	52.64	33.73
Share application money pending allotment (refer note 31)	355.01	700.00	-
Balance with statutory / government authorities	-	3.89	23.22
Other advances	8.90	20.29	2.13
	420.32	776.82	59.08

8. Trade receivables

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Trade receivable from related parties - Unsecured, considered good	3,219.49	1,483.32	1,141.65
	3,219.49	1,483.32	1,141.65

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 60 to 90 days.

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

9. Cash and Cash Equivalents

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Balances with banks:			
- On current accounts	22.03	47.17	56.96
Cash on hand	1.02	0.80	0.28
Cheques on Hand	3.95	-	3.35
	27.00	47.97	60.59

For the purpose of the statement of cash flow, cash and cash equivalents comprise the following:

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Cash and Cash Equivalents as per balance sheet	27.00	47.97	60.59
	27.00	47.97	60.59

10. Other financial assets

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Other receivables from related parties	45.62	48.18	-
Total	45.62	48.18	-

For terms and conditions relating to receivables from related parties, refer note 31

11. Non-current tax assets (net)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Advance income tax (net of provisions)	274.14	124.00	158.39
	274.14	124.00	158.39

Break up of financial assets at amortised cost

Non-current financial assets

Loans (refer note 6a)	2,105.69	910.20	6,240.04
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Current financial assets

Trade receivables (refer note 8)	3,219.49	1,483.32	1,141.65
Loans (refer note 6b)	176.15	3.41	4.84
Cash and cash equivalents (refer note 9)	27.00	47.97	60.59
Other financial assets (refer note 10)	45.62	48.18	-
	5,573.95	2,493.08	7,447.12

12. Non current assets held for sale

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Investment in Max Bupa Health Insurance Company Limited**			
500,310,000 (March 31, 2018 : Nil, April 01, 2017 : Nil) shares of INR 10/- each fully paid-up	50,031.02	-	-
	50,031.02	-	-

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

** The Board of Directors of the Company at its meeting held on February 26, 2019 considered and approved a proposal relating to divestment of entire shareholding of the Company in its material subsidiary viz. Max Bupa Health Insurance Company Limited ("Max Bupa") comprising of 51% of Max Bupa's total issued and paid-up share capital to True North Fund VI LLP (either directly or through any of its affiliates) ("Proposed Transaction"), subject to receipt of requisite approvals including the approval of the Insurance Regulatory and Development Authority of India (IRDAI) and the shareholders of the Company. The Proposed Transaction is an all-cash transaction and it values Max Bupa at an enterprise value of Rs 101, 300 lakhs in terms of the share purchase agreement dated March 13, 2019 executed between the Company, Max Bupa and True North Fund VI LLP. Shareholders of the Company have approved the proposed transaction vide a Postal Ballot process on May 23, 2019. Accordingly, the Company has identified Investment in Max Bupa as "Non Current Asset held for sale" in accordance with Ind AS 105.

Further, in accordance with the agreement, the Company has agreed to indemnify True North fund VI LLP for any potential write offs arising on Max Bupa's investment in IL&FS Group entities. Accordingly, the management has on a prudent basis assessed a provision of Rs 1, 428.00 lakhs to fulfill such indemnity obligation.

13a. Equity share Capital

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Authorised shares			
300, 000, 000 (March 31, 2018 : 300, 000, 000 and April 01, 2017 : 300, 000, 000) equity shares of INR 2 each	6, 000.00	6, 000.00	6, 000.00
Issued, subscribed and fully paid equity capital			
268, 615, 638 (March 31, 2018 : 268, 383, 065 and April 01, 2017 : 267, 270, 049) equity shares of INR 2 each	5, 372.31	5, 367.66	5, 345.40
Total issued, subscribed and fully paid-up share capital	5, 372.31	5, 367.66	5, 345.40

(i) Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	March 31, 2019		March 31, 2018		April 1, 2017	
	No of shares	Amount	No of shares	Amount	No of shares	Amount
At the beginning of the year	268, 383, 065	5, 367.66	267, 270, 049	5, 345.40	267, 270, 049	5, 345.40
Add: Shares issued for stock options exercised (refer note no 27)	232, 573	4.65	1, 113, 016	22.26	-	-
Outstanding at the end of the year	268, 615, 638	5, 372.31	268, 383, 065	5, 367.66	267, 270, 049	5, 345.40

(iii) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 2/- per share. Each holder of equity shares is entitled to one vote per share. The Company has not declared any dividend. 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, in proportion to their shareholding. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

(iv) Details of shareholders holding more than 5% shares in the Company -

Name of the shareholder	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity shares of Rs. 2/- each fully paid-up						
- Liquid Investment and Trading Private Limited	200,000	0.07%	23,818,876	8.87%	23,818,876	8.91%
- Max Ventures Investment Holdings Private Limited	103,467,976	38.52%	66,158,030	24.65%	66,158,030	24.75%
- Mohair Investment and Trading Company Private Ltd	-	-	13,690,570	5.10%	8,086,560	3.03%
- Reliance Capital Trustee Co Ltd A/C Reliance Capital Builder Fund 4 SR A	17,369,062	6.47%	14,601,201	5.44%	12,515,216	4.68%
- WF Asian Reconnaissance Fund Limited	17,201,096	6.40%	-	-	-	-
-Xenok Limited	-	-	-	-	17,161,714	6.42%

(v) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option plan (ESOP) of the Company, please refer note 27.

Aggregate number of share issued for consideration other than cash during the period of five years immediately preceding the reporting date

The Company has issued total 1,631,639 shares (March 31, 2018: 1,399,066 shares, April 01, 2017: 2,86,050 shares) during the period of five years immediately preceding the reporting date on exercise of options granted under the ESOP plan wherein part consideration was received in the form of employees services.

During financial year 2015-16, pursuant to Composite Scheme of Arrangement and order of Hon`ble High Court of Punjab and Haryana dated December 14, 2015 (Order) sanctioning the Composite Scheme of Arrangement involving Max Financial Services Limited (formerly Max India Limited), Max India Limited (formerly Taurus Ventures Limited) (the Company) and Max Ventures and Industries Limited (formerly Capricorn Ventures Limited), the Company allotted 266,983,999 equity shares on May 14, 2016, in the ratio of 1 equity share of Rs. 2 each fully paid up of the company for every one equity share of Rs. 2 each fully paid up, held by shareholder of Max Financial Services Limited on January 28, 2016 (record date).

13b. Other equity

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Capital reserve (refer note a below)	164,417.05	156,917.05	156,917.05
Securities premium (refer note b below)	1,101.46	934.64	133.53
Employee stock options outstanding (refer note c below)	477.42	481.11	368.06
Retained earnings (refer note d below)	1,532.81	3,378.35	2,813.90
Amount received against share warrants (refer note e below)	-	7,500.00	-
	167,528.74	169,211.15	160,232.54

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
a) Capital reserve			
Balance as at beginning of the year	156,917.05	156,917.05	156,917.05
Add: Share warrants forfeited during the year	7,500.00	-	-
	164,417.05	156,917.05	156,917.05
b) Securities premium			
At the beginning of the year	934.64	133.53	133.53
Add: premium on issue of employee stock options	-	671.96	
Add: transferred from employee stock options outstanding	166.82	129.15	
	1,101.46	934.64	133.53
c) Employee stock options outstanding			
At the beginning of the year	481.11	368.06	368.06
Add: ESOP expenses recognized during the year	88.79	93.66	
Add: Fair valuation of ESOP	74.34	148.54	
Less: transferred to securities premium on exercise of stock options	(166.82)	(129.15)	
	477.42	481.11	368.06
d) Retained earnings			
At the beginning of the year	3,378.35	2,813.90	2,813.90
Profit/(Loss) for the year	(1,849.21)	567.01	-
Items of other comprehensive income recognized directly in retained earnings			
Re-measurement of post employment benefit obligation (net of tax) (item of OCI)	3.67	(2.56)	-
	1,532.81	3,378.35	2,813.90
e) Amount received against share warrants			
At the beginning of the year	7,500.00	-	-
Amount received during the year *	-	7,500.00	-
Amount forfeited during the year **	(7,500.00)	-	-
	-	7,500.00	-

* During the previous year, the Company allotted 19,384,584 convertible warrants at an exercise price of Rs. 154.76 per warrants to Mohair Investment and Trading Company Private Limited (an entity belonging to Promoter Group), on receipt of 25% of the warrant subscription amount, i.e. Rs. 7,500 lakhs. Each warrant was convertible into 1 equity share as per applicable SEBI guidelines at any time before the expiry of 18 months from the date of allotment i.e. on or before December 19, 2018.

** During the year, the Promoter group decided not to opt for conversion of aforesaid warrants, accordingly, the Board of directors took note of cancellation of aforesaid warrants and forfeiture of upfront warrant subscription amount paid earlier on such warrants.

13c Nature and purpose of reserves

Capital reserve

The Company recognizes profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve.

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Employee stock options outstanding

The employee stock options outstanding is used to recognise the grant date fair value of options issued to employees under Employee stock option plan.

14a. Other financial liabilities - non current

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
At amortised cost			
Deferred guarantee income (refer note 28C)	137.12	173.79	106.46
	137.12	173.79	106.46

14b. Other financial liabilities - current

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
At amortised cost			
Security deposit received	24.65	25.25	23.24
Deferred guarantee income (refer note 28C)	36.67	36.67	53.16
Capital creditors	-	25.65	-
	61.32	87.57	76.40

15a. Provisions - non current

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Provision for employee benefits			
Provision for gratuity (refer note 26)	360.16	316.12	265.51
	360.16	316.12	265.51

15b. Provisions - current

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Provision for employee benefits			
Provision for gratuity (refer note 26)	45.40	23.55	19.56
Provision for leave benefits	172.37	168.16	139.56
Provision for indemnity * (refer note 12)	1,428.00	-	-
	1,645.77	191.71	159.12

16. Trade payables (carried at amortised cost)

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Current			
Total outstanding dues of micro enterprises and small enterprises	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises #	535.49	115.61	165.05
	535.49	115.61	165.05

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Trade payables include due to related parties Rs. 8.12 lakhs (March 31, 2018 - Rs. 3.17 lakhs; , April 1, 2017 - Rs. 1.39 lakhs).

There is no Micro, Small and Medium Enterprise to which the Company owes dues, which are outstanding for more than 45 days during the period April 01, 2018 to March 31, 2019. This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 60 to 90 days terms.
- For terms and conditions with related parties, refer note 31.
- For explanations on the Company's credit risk management processes, refer note 34.

17. Other current liabilities

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Statutory Dues	425.53	321.48	185.99
Total	425.53	321.48	185.99

18. Income Tax

The major components of income tax expense for the years ended are March 31, 2019 and March 31, 2018 are:

Statement of profit and loss:

Profit or loss section

	For the year ended March 31, 2019	For the year ended March 31, 2018
Current income tax charge	354.00	807.48
Income tax adjustment related to earlier years	-	(29.94)
Deferred tax:		
Relating to origination and reversal of temporary differences	(198.80)	(169.01)
Income tax expense reported in the statement of profit or loss	155.20	608.53

OCI section

Deferred tax related to items recognised in OCI during the year:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Net loss/(gain) on remeasurements of defined benefit plans	1.51	(1.35)
Income tax charged to OCI	1.51	(1.35)

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2019 and March 31, 2018:

	March 31, 2019	March 31, 2018
Accounting profit before income tax	(1, 694.01)	1, 175.54
At India's statutory income tax rate of 29.12% (March 31, 2018: 34.608%)	29.12%	34.61%
Computed Tax Expense	(493.30)	406.83
Adjustments:		
Income not considered for tax purpose	(28.82)	(49.63)
Expense not allowed for tax purpose	677.32	270.62
Difference in tax rate	-	10.65
Tax relating to earlier years	-	(29.94)
At the effective income tax rate	155.20	608.53
Income tax expense reported in the statement of profit and loss	155.20	608.53

Deferred tax:

	Balance Sheet		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Deferred tax liability			
Difference in books base and tax base of investments	(9.52)	(157.18)	(318.17)
Others	(7.54)	(11.87)	-
Deferred tax asset			
Accelerated Depreciation for Company Act purposes	55.45	42.16	43.58
Expenses allowable on payment basis	80.38	63.62	147.99
Others	135.25	120.00	12.97
Net deferred tax assets/(liabilities)	254.02	56.73	(113.63)

	Statement of profit and loss	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Deferred tax liability		
Difference in books base and tax base of investments	147.66	160.99
Others	4.33	(11.87)
Deferred tax asset		
Accelerated Depreciation for Company Act purposes	13.29	(1.42)
Expenses allowable on payment basis	16.76	(84.37)
Others	15.25	107.03
Net deferred tax assets/(liabilities)	197.29	170.36

Reflected in the balance sheet as follows:

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Deferred tax assets	271.08	225.78	204.54
Deferred tax liabilities	(17.06)	(169.05)	(318.17)
Net deferred tax assets/(liabilities)	254.02	56.73	(113.63)

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Reconciliation of deferred tax asset / (liabilities) (net):

	March 31, 2019	March 31, 2018
Opening balance as of 1 April	56.73	(113.63)
Tax income/(expense) during the period recognised in profit or loss	198.80	169.01
Tax income/(expense) during the period recognised in OCI	(1.51)	1.35
Closing balance as at March 31,	254.02	56.73

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

19. Revenue from operations

	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Revenue from contract with customers		
Rendering of shared services	4,666.64	3,984.73
(b) Other operating revenue		
Interest income on :		
Loan to subsidiary company (refer note 31)	186.22	858.02
Fixed deposits	5.48	7.55
Profit on sale of current investments	567.21	862.91
Fair value gain on mutual funds	32.71	539.76
Fair valuation impact on cumulative redeemable preference shares	136.64	122.79
	5,594.90	6,375.76

19.1 Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Segment

Type of services	For the year ended March 31, 2019	For the year ended March 31, 2018
Shared Service revenue	4,666.64	3,984.73
Total revenue from contracts with customers	4,666.64	3,984.73
India	4,666.64	3,984.73
Outside india	-	-
Total revenue from contracts with customers	4,666.64	3,984.73

19.2 Contract balances

	As at March 31, 2019	As at March 31, 2018
Trade receivables	3,219.49	1,483.32
Contract liabilities	-	-

Trade receivables are non interest bearing. Credit period generally falls in the range of 60 to 90 days.

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

19.3 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

	As at March 31, 2019	As at March 31, 2018
Revenue as per contracted price	4,666.64	3,984.73
Adjustments		
Discount	-	-
Revenue from contracts with customers	4,666.64	3,984.73

19.4 Performance obligations

Obligation of the Company is to provide shared services to its group companies and accordingly recognises revenue over the period of the contract based on the services rendered.

20. Other income

	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest income		
- on others	1.06	0.23
- on security deposits	13.73	4.69
	14.79	4.92
Other non-operating income		
- Foreign exchange fluctuation (net)	-	0.31
- Unclaimed balances / excess provision written back	0.12	-
- Financial guarantee income	36.67	169.15
	36.79	169.46
	51.58	174.38

21. Employee Benefits Expense

	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries, wages and bonus	2,491.84	2,277.01
Contribution to provident fund and other funds (refer note 26B)	84.19	93.69
Employee stock option expense (refer note 27)	129.09	193.29
Gratuity expense (refer note 26A)	71.07	59.88
Staff welfare expenses	43.56	44.35
	2,819.75	2,668.22

22. Depreciation and amortization expense

	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation on property, plant and equipment (refer note 3)	123.31	86.99
	123.31	86.99

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

23. Other expenses

	For the year ended March 31, 2019	For the year ended March 31, 2018
Recruitment and training expenses	120.36	56.19
Rent	278.08	128.98
Insurance	39.69	44.81
Rates and Taxes	21.86	-
Repairs and maintenance - Others	132.87	120.32
Electricity and water	18.00	16.48
Printing and stationery	21.60	19.60
Travelling and conveyance	132.50	153.68
Communication	41.14	32.62
Legal and professional	1,121.51	1,033.57
Auditor's remuneration (refer note a below)	23.55	18.64
Management service charges	805.00	745.93
Directors' fee	105.00	103.38
Advertisement and publicity	7.73	0.19
Net loss on sale/disposal of fixed assets	11.74	0.50
Provision for doubtful advances in subsidiary	4.30	3.33
Charity and donation	4.38	52.60
Contribution towards CSR (refer note below)	25.00	23.44
Miscellaneous	55.12	65.13
	2,969.43	2,619.39

a. Payment to auditors:

	For the year ended March 31, 2019	For the year ended March 31, 2018
As auditor:		
For audit	18.00	18.00
For other services	4.00	-
For reimbursement of expenses	1.55	0.64
	23.55	18.64

b. Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a corporate social responsibility (CSR) committee has been formed by the Company. The areas for CSR activities are promoting healthcare and rural development projects. The Company has provided for & spent Rs. 25.00 Lakhs (March 31, 2018: Rs. 23.44 Lakhs) on various CSR initiatives, during the year, on the projects mentioned below:-

	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Gross amount required to be spent by the Company during the year	25.00	23.44
(b) Amount spent during the year		
i) Healthcare activities	5.75	5.94
ii) NGO work on healthcare	19.25	-
iii) Rural development projects	-	17.50
	25.00	23.44

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

The above contribution of Rs. 25.00 Lakhs (March 31, 2018: Rs. 23.44 Lakhs) has been made to an enterprise owned or significantly influenced by key managerial personnel or their relatives i.e. Max India Foundation, a trust registered under Indian Trust Act, 1882, with the main objective of working in the area of healthcare and rural development projects.

24. Earnings Per Share (EPS)

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year.

The following reflects the income and share data used in EPS computations :

	March 31, 2019	March 31, 2018
Basic EPS		
(Loss) / Profit after tax (Rs. in Lakhs)	(1, 849.21)	567.01
Net profit/(loss) for calculation of basic EPS	(1, 849.21)	567.01
Weighted average number of equity shares outstanding during the year (Nos.)	268, 427, 846	267, 986, 308
Basic earnings per share (Rs.)	(0.69)	0.21
Dilutive EPS		
Net (Loss) / Profit for calculation of dilutives EPS	(1, 849.21)	567.01
Effect of dillution:		
Share options	1, 162, 388	1, 548, 739
Weighted average number of equity shares outstanding during the year for dilutive earnings per share (Nos)	269, 590, 234	269, 535, 047
Anti Diluted/Diluted earnings per share (Rs.)	(0.69)	0.21

25. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

a) Operating lease commitments – Company as a lessee

The Company has entered into lease agreements with lessor and has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it does not retains the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases (Refer note 28B).

Also pursuant to requirements of Ind-AS 17, comany has done straight lining of lease rentals only in cases where the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Impairment of financial assets

IND AS 101 requires an entity to assess and determine the impairment allowance on financial assets as per IND AS 109 using the reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized and compare it to the credit risk at the date of transition to IND AS. The Company has applied this exception prospectively.

Impairment of investment in subsidiaries and joint ventures

The Company assesses at each reporting date whether there is an indication that an investment may be impaired. If any indication exists, or when annual impairment testing for an investment is required, the Company estimates the asset's recoverable amount. An investment recoverable amount is the higher of an investment's CGU'S fair value less cost of disposal and its value in use. Where the carrying amount of an investment or CGU exceeds its recoverable amount, the investment is considered impaired and is written down to its recoverable amount. 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 assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other fair value indicators like discount rate, operating margin and other factor of the underline business operations of the subsidiaries and joint ventures. During the year, management has done impairment assessment of its investment in subsidiary companies (including Max Bupa Health Insurance Limited and Antara Senior Living Limited) and have concluded that there is no impairment in value of investments as appearing in the financial statements.

Taxes

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Defined benefit plans (Gratuity and Provident fund)

The cost of the defined benefit plans and the present value of the defined benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

management considers the interest rates of government bonds with term that correspond with the expected term of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about assumption on gratuity and provident fund obligations are given in Note 27.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The Company has used Net Asset Value for valuation of investment in mutual funds. See Note 32 and 33 for further disclosures.

Share based payments

The Company initially measures the cost of equity-settled transactions with employees using a binomial model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. Refer note 27 for details.

26. Employee benefit plans

Defined Benefit Plans

A) Gratuity:

The Company has a defined benefit gratuity plan (unfunded) for its employees and it is governed by the Payment of Gratuity Act, 1972. Under the plan, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the defined benefit plans:

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

	Gratuity plan		
	March 31, 2019	March 31, 2018	April 1, 2017
Defined benefit obligation at the beginning of the year	339.67	285.08	285.08
Current service cost	39.71	39.07	-
Interest cost	31.36	20.81	-
Benefits paid	-	(9.20)	-

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Actuarial (gain)/ loss on obligations - OCI	(5.18)	3.91	-
Defined benefit obligation at the end of the year	405.56	339.67	285.08

Amount recognised in Statement of Profit and Loss:

Particulars	Gratuity plan	
	March 31, 2019	March 31, 2018
Current service cost	39.71	39.07
Net interest expense	31.36	20.81
Amount recognised in Statement of Profit and Loss	71.07	59.88

Amount recognised in Other Comprehensive Income:

	Gratuity plan	
	March 31, 2019	March 31, 2018
Actuarial changes arising from changes in financial assumptions	(5.18)	3.91
Experience adjustments	-	-
Amount recognised in Other Comprehensive Income	(5.18)	3.91

The principal assumptions used in determining gratuity liability for the Company's plans are shown below:

	Gratuity plan		
	March 31, 2019	March 31, 2018	April 1, 2017
Discount rate	7.50%	7.60%	7.30%
Future salary increases	10.00%	10.00%	10.00%
Retirement Age	58 to 71 yrs	58 to 71 yrs	58 yrs

A quantitative sensitivity analysis for significant assumption as at March 31, 2019 is as shown below:

Assumptions	Gratuity plan			
	Sensitivity level		Impact on DBO	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Discount rate				
- Increase by 1%	373.09	315.85	(32.47)	(23.82)
- Decrease by 1%	430.61	366.77	(21.05)	(27.10)
Future salary increases				
- Increase by 1%	429.59	365.88	(24.03)	26.21
- Decrease by 1%	373.44	316.14	(32.12)	23.53

- Changes in Defined benefit obligation due to 1% Increase/Decrease in Mortality Rate, if all other assumptions remain constant is negligible.
- The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the Actuary.
- Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

- The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

	Gratuity plan	
	March 31, 2019	March 31, 2018
Within the next 12 months (next annual reporting period)	41.32	24.43
Between 2 and 5 years	143.21	143.47
Between 5 and 10 years	597.49	520.01
Total expected payments	782.02	687.91

The average duration of the defined benefit plan obligation for gratuity at the end of the reporting period is 11 years (March 31, 2018: 12 years).

B) Provident Fund:

The Company is contributing in a provident fund trust "Max Financial Services Limited Employees Provident Trust Fund" which is a common fund for Max Group companies. The provident fund trust requires that interest shortfall shall be met by the employer, accordingly it has been considered as a defined benefit plan.

The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, and shortfall, if any, shall be made good by respective group associate companies. The actuary has accordingly provided a valuation for "Max Financial Services Limited Employees Provident Trust Fund" which is a common fund for MFSL, its subsidiaries and associate companies.

The details of fund and plan asset position as at March 31, 2019 as per the actuarial valuation of active members are as follows:

	March 31, 2019	March 31, 2018
Plan assets at year end at fair value	1, 506.94	1, 232.13
Present value of defined benefit obligation at year end	1, 475.29	1, 215.12
Surplus as per actuarial certificate	31.65	17.01
Shortfall recognized in balance sheet	-	-
Active members as at year end (Nos)	49	50

Assumptions used in determining the present value obligation of the interest rate guarantee under the deterministic approach:

	March 31, 2019	March 31, 2018
Discount rate	6.76%	7.18%
Yield on existing funds	8.65%	8.94%
Expected guaranteed interest rate	8.65%	8.55%

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Contribution to Defined benefit Plan, recognized as expense for the year is as under:

	March 31, 2019	March 31, 2018
Employer's Contribution towards Provident Fund (PF)	84.19	93.69
	84.19	93.69

27. Employee Share Based payments

Max India Employee Stock Plan - 2016 ("the Plan")

- a). The Company had instituted the 2016 Plan, which was approved by the Board of Directors in March 29, 2016 and by the shareholders in September 27, 2016. The 2016 Plan provides for grant of stock options aggregating not more than 5% of number of issued equity shares of the Company to eligible employees of the Company. The 2016 Plan is administered by the Nomination and Remuneration Committee appointed by the Board of Directors. Under the plan, the employees receive shares of the Company upon completion of vesting conditions such as rendering of services across vesting period. The Option Price will be determined by the Nomination and Remuneration Committee, from time to time, in accordance with the provisions of applicable law, provided that the Option Price shall not be below the face value of the equity shares of the Company.

Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
	Number of options	Weighted Average exercise price (INR)	Number of options	Weighted Average exercise price (INR)
Option outstanding at the beginning of the year	1,152,043	2	2,242,904	2
Granted during the year	61,200	2	22,155	2
Exercised during the year	(232,573)	2	(1,113,016)	2
Closing balance	980,670		1,152,043	
Exercisable at the end of the year	781,400		-	

The weighted average fair value of the options exercised during the year was INR 72.17 (March 31, 2018: INR 140.84).

The weighted average remaining contractual life for the share options outstanding as at year end was 0.92 years (March 31, 2018: 1.14 years).

The range of exercise prices for options outstanding at the end of the year was INR 2.00 to 78.80 (March 31, 2018: INR 2.00 to 78.80).

b) Expense arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Employee stock option plan	129.09	193.29

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

- c) **Stock compensation expense under the Fair Value method has been determined based on fair value of the stock options at the date of grant. The fair value of stock options was determined using the Black Scholes option pricing model with the following assumptions.**

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Date of option granted	01.04.2018	01.04.2017
Stock Price Now (in INR)	83.70	150.95
Exercise Price (X) (in INR)	2.00	2.00
Expected Volatility (Standard Dev - Annual)	35.67%	31.60%
Life of the options granted (Vesting and exercise period) in years	3.00-4.00	3.00-5.00
Expected Dividend	0%	0%
Average Risk- Free Interest Rate	7.21%-7.39%	6.68%-6.88%
Weighted average fair value of options granted	82.09-82.21	149.31-149.53

28. Commitments and Contingencies

A. Commitments

	March 31, 2019	March 31, 2018	April 01, 2017
i) Estimated value of contracts in capital account remaining to be executed	7,320.00	7,375.05	7,320.00
Less: Capital advance	7,320.00	7,320.00	7,320.00
Total	-	55.05	-

- ii) The Company will provide financial support to Max Ateev Limited, Max Skill First Limited and Antara Senior Living Limited a wholly owned subsidiaries of the Company in order to meet their future financial obligations.

B. Operating leases

The Company has entered into operating leases for its office spaces and accommodation for its employees under operating lease agreements. The lease rental expense recognized in the statement of profit and loss for the year is INR 278.08 lakhs (March 31, 2018: INR 128.98 lakhs). The Company has not entered into sublease agreements in respect of these leases and there are no restrictions placed upon the Company by entering into these leases. Lease can be renew for two terms for 3 years each.

Future minimum rentals payable under non-cancellable operating leases are as follows:

Particulars	March 31, 2019	March 31, 2018	April 01, 2017
Within one year	109.15	130.99	-
After one year but not more than five years	100.78	209.93	-
More than five years	-	-	-

C. Contingent liabilities

Corporate guarantee :

Particulars	March 31, 2019	March 31, 2018	April 01, 2017
Corporate guarantee given to bank in respect of financial assistance availed by a subsidiary company.	19,248.49	21,696.16	25,033.89

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Guarantee has been given by the Company on behalf of its step down subsidiary, Antara Prukul Senior Living Limited for loan of Rs. Nil (March 31, 2018: Rs.Nil, April 01, 2017: Rs.25, 000.00 lakhs) from Axis Bank Limited and for loan of Rs. 22, 000.00 lakhs (March 31, 2018: Rs.22, 000 lakhs, April 01, 2017: Rs.Nil) from Aditya Birla Finance Limited and Bajaj Finance Limited.

Carrying amount of the related corporate guarantee is Rs.Nil lakhs (March 31, 2018 - Nil, April 1, 2017 - Rs. 25, 033.89 lakhs) from Axis Bank Limited, Rs. 12, 761.01 lakhs (March 31, 2018 - Rs. 21, 696.16 lakhs, April 1, 2017 - Rs. Nil) from Aditya Birla Finance Limited and Rs. 6, 487.48 lakhs (March 31, 2018 - Rs. Nil, April 1, 2017 - Rs. Nil) from Bajaj Finance Limited.

29. Investments in subsidiaries and joint ventures

(a) These financial statement are separate financial statements prepared in accordance with Ind AS-27 " Separate Financial Statements"

(b) The Company's investment in Subsidiary are as under :

Sl. No.	Name of the Subsidiary	Country of Incorporation	Proportion of ownership as at March 31, 2019	Proportion of ownership as at March 31, 2018	Proportion of ownership as at March 31, 2017	Method used to account for Investment
1	Max Bupa Health Insurance Company Limited	India	51.00%	51.00%	51.00%	At cost
2	Antara Senior Living Limited	India	100.00%	100.00%	100.00%	At cost
3	Antara Purukul Senior Living Limited (i)	India	100.00%	100.00%	100.00%	At cost
4	Antara Gurgaon Senior Living Limited (i)	India	100.00%	100.00%	100.00%	At cost
5	Pharmax Corporation Limited	India	85.17%	85.17%	85.17%	At cost
6	Max Ateev Limited	India	100.00%	100.00%	100.00%	At cost
7	Max Skill First Limited	India	100.00%	100.00%	100.00%	At cost
8	Max One Distribution and Services Limited (ii)	India	100.00%	100.00%	100.00%	At cost
9	Advaita Allied Health Services Limited	India	100.00%	-	-	At cost
10	Max UK Limited	United Kingdom	100.00%	100.00%	100.00%	At cost

(c) The Company's investment in joint ventures are as under :

Name of Joint Venture	Country of incorporation	Proportion of ownership as at March 31, 2019	Proportion of ownership as at March 31, 2018	Proportion of ownership as at March 31, 2017	Method used to account for Investment
1 Forum I Aviation Limited (iii)	India	20.00%	20.00%	20.00%	At cost
2 Max Healthcare Institute Limited (MHIL)	India	49.70%	49.70%	45.95%	At cost

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Notes:

- (i) The entities are held through Antara Senior Living Limited
- (ii) The entity is held through Max Skill First Limited
- (iii) The entity is a Joint Venture of Pharmax Corporation Limited

30. Segment information

Being a holding company, the Company is having investments in various subsidiaries and joint ventures and is primarily engaged in growing and nurturing these business investments and providing shared services to group companies. Accordingly, the Company views these activities as one business segment.

There are no separate reportable segments (business and/ or geographical) in accordance with the requirements of Ind AS 108 'Operating segment' and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.

31. Related party transactions

Relationship with the related party	Name of related party
Subsidiary Companies	1 Max Bupa Health Insurance Company Limited
	2 Max UK Limited
	3 Pharmax Corporation Limited
	4 Max Ateev Limited
	5 Max Skill First Limited
	6 Antara Senior Living Limited
	7 Advaita Allied Health Services Limited
Step down subsidiary companies	1 Antara Purukul Senior Living Limited
	2 Antara Gurgaon Senior Living Limited
	3 Max One Distribution and Services Limited
Joint Venture	1 Max Healthcare Institute Limited
	2 Alps Hospital Limited
Key Management Personnel (KMP)	1 Mr. Ashwani Windlass (Non-executive Director)
	2 Mr. Ashok Brijmohan Kacker (Independent Director)
	3 Mr. Mohit Talwar (Managing Director)
	4 Mrs. Tara Singh Vachani (Director)
	5 Mr. Rahul Khosla (Non-executive Director)
	6 Mr. Dipankar Gupta (Independent Director) (Ceased to be director w.e.f. April 10, 2018)
	7 Mr. D.K. Mittal (Independent Director)
	8 Mr. K. Narasimha Murthy (Independent Director) (Appointed w.e.f. 24/12/2018)
	9 Mrs. Sharmila Tagore (Independent Director) (Appointed w.e.f. 26/02/2019)
	10 Mr. V. Krishnan (Company Secretary)
	11 Mr. Jatin Khanna (Chief Financial Officer)
Enterprises owned or significantly influenced by key management personnel or their relatives	1 Max India Foundation
	2 Max Financial Services Limited

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Employee benefit trust	1	Max Financial Services Ltd. Employees' Provident Fund Trust
Person or entities having control or significant influence	1	Mr. Analjit Singh
	2	Mrs. Neelu Analjit Singh
	3	Ms. Piya Singh
	4	Mr. Veer Singh
	5	Mrs. Tara Singh Vachani
	6	Liquid Investment and Trading Private Limited
	7	Max Ventures Investment Holdings Private Limited
Enterprises owned or significantly influenced by person or entities having control or significant influence	1	Max Life Insurance Company Limited
	2	Max Ventures and Industries Limited
	3	New Delhi House Services limited
	4	Wise Zone Builders Private Limited

B. The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

Nature of transaction	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018
Income from shared services	Max Healthcare Institute Limited	803.64	590.73
	Pharmax Corporation Limited	120.00	110.00
	Max Financial Services Limited	2,700.00	2,344.00
	Max Bupa Health Insurance Company Limited	1,000.00	900.00
	Max Skill First Limited	43.00	40.00
Reimbursement of expenses (received from)	Max Financial Services Limited	218.91	-
	New Delhi House Services limited	21.54	20.16
Sale of fixed assets	Antara Senior Living Limited	0.42	-
Professional charges	Max UK Limited	13.55	-
	Max Financial Services Limited	6.25	-
Maintenance chares	New Delhi House Services limited	70.58	79.37
Insurance expense	Max Life Insurance Company Limited	8.05	9.28
	Max Bupa Health Insurance Company Limited	18.60	-
Healthcare Services received	Max Healthcare Institute Limited	0.14	0.02
Management service charges	Max Financial Services Limited	805.00	745.95
Rent paid	Pharmax Corporation Limited	64.49	92.14
	Alps Hospital Limited	2.40	2.40
	Max Venture Industry Ltd.	46.24	-

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Nature of transaction	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018
Director sitting fee	Mr. Ashwani Windlass	19.00	18.00
	Mr. Ashok Brijmohan Kacker	33.00	30.00
	Mrs. Tara Singh Vachani	7.00	4.00
	Mr. Rahul Khosla	16.00	17.00
	Mr. Dipankar Gupta	-	17.00
	Mr. D.K. Mittal	27.00	14.00
	Mr. K. Narasimha Murthy	2.00	-
	Mrs. Sharmila Tagore	1.00	-
Fair valuation impact on cumulative redeemable preference shares	Pharmax Corporation Limited	136.64	122.79
Financial guarantee income	Antara Purukul Senior Living Limited	36.67	169.15
CSR activities	Max India Foundation	25.00	23.44
Company's contribution to Provident Fund Trust	Max Financial Services Ltd. Employees' Provident Fund Trust	77.00	72.32
Interest income	Antara Purukul Senior Living Limited	186.22	858.02
Provision for Diminution	Max Ateev Limited	4.30	3.33
Loans and advances given	Max Ateev Limited	4.30	3.33
	Antara Purukul Senior Living Limited	1, 233.81	3, 300.00
Loans repaid	Antara Purukul Senior Living Limited	-	8, 750.00
Investments made	Max Healthcare Institute Limited.	-	21, 156.87
	Antara Senior Living Limited	3, 845.00	9, 950.00
	Max Bupa Health Insurance Company Limited	2, 805.00	-
Share application money given	Antara Senior Living Limited	355.00	700.00

C. The following table provides the year end balances with related parties for the relevant financial year :

Nature of transaction	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended April 01, 2017
Deferred guarantee income	Antara Purukul Senior Living Limited	173.79	210.46	159.62
Loans and advances given	Max Ateev Limited	709.77	705.47	702.14
	Antara Purukul Senior Living Limited	1, 933.81	700.00	6, 150.00
	Max Skill First Limited	1, 916.34	1, 916.34	1, 916.34
Provision made against above	Max Ateev Limited	(3, 144.36)	(3, 144.36)	(3, 144.36)
	Max Skill First Limited	(447.87)	(447.87)	(447.87)
	Max UK Limited	(213.00)	(213.00)	(213.00)
Share application money pending allotment	Antara Senior Living Limited	355.00	700.00	-
Capital advance	Wise Zone Builders Private Limited	7, 320.00	7, 320.00	7, 320.00

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Nature of transaction	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended April 01, 2017
Trade receivable	Max Healthcare Institute Limited	1,404.12	631.55	282.34
	Max Skill First Limited	11.61	10.80	20.28
	Max Bupa Health Insurance Company Limited	1,080.59	243.00	-
	Max Financial Services Limited	625.96	666.77	-
	Pharmax Corporation Limited	142.82	-	-
Interest receivable	Antara Purukul Senior Living Limited	168.51	0.91	-
Security deposit receivable	Pharmax Corporation Limited	11.19	85.00	85.00
Other receivable	Pharmax Corporation Limited	45.62	-	-
Amount Payable	Alps Hospital Ltd	(1.42)	(1.09)	(1.14)
	Max Ventures and Industries Limited	(8.12)	(2.08)	-
Investment in equity share capital	Max Ateev Limited	3,144.36	3,144.36	3,144.36
	Max Healthcare Institute Limited.	70,569.55	70,569.55	49,412.68
	Max Bupa Health Insurance Company Limited	50,031.01	47,226.01	47,226.01
	Antara Senior Living Limited	800.00	800.00	800.00
	Pharmax Corporation Limited	1,420.81	1,420.81	1,420.81
	Max Skill First Limited	1,022.87	1,022.87	1,022.87
	Max UK Limited	213.00	213.00	213.00
Provision made against above	Max Ateev Limited	(3,144.36)	(3,144.36)	(3,144.36)
	Max Skill First Limited	(447.87)	(447.87)	(447.87)
	Max UK Limited	(213.00)	(213.00)	(213.00)
Investment in compulsory convertible preference share	Antara Senior Living Limited	32,116.42	28,271.42	18,321.42
	Pharmax Corporation Limited	2,671.04	2,534.40	2,411.62
Additional investment on account of financial guarantee	Antara Senior Living Limited	470.34	470.34	250.34

* The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

D. Terms and conditions of transactions with related parties

- The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.
- The Company has given corporate guarantee for Antara Purukul Senior Living Limited, step down subsidiary amounting to Rs. 22,000 lakhs (March 31, 2018: Rs. 22,000 lakhs, April 1, 2017 : Rs. 25,000 lakhs). Refer note 28C.
- The income/expense from sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

E. Commitments with related parties

The Company will provide financial support to Max Ateev Limited, Max Skill First Limited and Antara Senior Living Limited a wholly owned subsidiaries of the company in order to meet their future financial obligations.

F. Compensation of key management personnel of the Company

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Short-term employee benefits		
Mr. Mohit Talwar	201.82	319.94
Mr. Jatin Khanna	132.71	124.78
Mr. V Krishnan	160.36	136.51

* The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

G. Directors' interests in the ESOP plan

Share options held by executive members of the Board of Directors under the ESOP Plan to purchase Equity shares have the following expiry dates and exercise prices:

Grant date	Expiry date	Exercise price	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
01-Apr-13	01-Apr-17	2.00	-	-	9,500
12-Dec-14	31-Mar-20	78.80	221,500	221,500	443,000
01-Apr-14	01-Apr-17	2.00	-	-	8,750
01-Apr-14	01-Apr-18	2.00	-	8,750	8,750
27-Mar-15	27-Mar-17	2.00	-	-	5,650
27-Mar-15	27-Mar-18	2.00	-	5,650	5,650
27-Mar-15	27-Mar-19	2.00	5,650	5,650	5,650
09-Nov-16	10-Nov-17	2.00	-	-	6,348
09-Nov-16	01-Apr-18	2.00	-	6,348	6,348
09-Nov-16	01-Apr-19	2.00	6,349	6,349	6,349
09-Nov-16	01-Apr-20	2.00	6,349	6,349	6,349
01-Apr-17	01-Apr-18	2.00	-	7,533	-
01-Apr-17	01-Apr-19	2.00	7,311	7,311	-
01-Apr-17	31-Mar-20	2.00	7,311	7,311	-
01-Apr-18	01-Apr-19	2.00	30,600	-	-
01-Apr-18	31-Mar-20	2.00	30,600	-	-

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

32. Fair values of financial instruments

The comparison of carrying value and fair value of financial instruments by categories that are measured at fair value are as follows:

	Carrying value			Fair value		
	As at	As at	As at	As at	As at	As at
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Financial assets						
Amortised Cost:						
Non-Current						
- Investment in subsidiaries and joint venture (refer note 4)	108,623.16	151,867.53	120,417.88	108,623.16	151,867.53	120,417.88
- Loans (refer note 6a)	2,105.69	910.20	6,240.04	2,105.69	910.20	6,240.04
Current						
- Investments (refer note 5)	3,225.85	12,700.34	30,971.30	3,225.85	12,700.34	30,971.30
- Trade receivables (refer note 8)	3,219.49	1,483.32	1,141.65	3,219.49	1,483.32	1,141.65
- Loans (refer note 6b)	176.15	3.41	4.84	176.15	3.41	4.84
- Other financial assets (refer note 10)	45.62	48.18	-	45.62	48.18	-
Financial liabilities						
Amortised Cost:						
Non-Current						
- Other financial liabilities (refer note 14a)	137.12	173.79	106.46	137.12	173.79	106.46
Current						
- Trade payables (refer note 16)	535.49	115.61	165.05	535.49	115.61	165.05
- Other financial liabilities (refer note 14b)	61.32	87.57	76.40	61.32	87.57	76.40

Notes:

- The management assessed that inter corporate deposits, cash and cash equivalents, trade receivables and trade payables approximate their carrying amounts.
- The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.
- The following methods and assumptions were used to estimate the fair values:

The fair values for investments in quoted securities like mutual funds are based on price quotations available in the market at each reporting date.

The fair values for investments in unquoted equity shares are estimated by valuer following valuation techniques.

The fair value of loans, other financial assets and other financial liabilities are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The valuation requires management to use observable inputs in the model, of which the significant observable inputs is the market rate of interest of 11.28%. Management regularly assesses a range of reasonably possible alternatives for those significant observable inputs and determines their impact on the total fair value. Loans repayable on demand have same carrying value and fair value as it is repayable on demand.

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

33. Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

A. Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2019:

Particulars	Carrying value	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at Fair value through statement of profit and loss:				
- Investment in subsidiaries and joint venture (refer note 4)	2, 671.04	-	2, 671.04	-
- Investment in Mutual Funds (refer note 5)	3, 225.85	3, 225.85	-	-
Assets measured at amortised cost for which fair values are disclosed				
Non-Current				
- Loans (refer note 6a)	2, 105.69	-	2, 105.69	-
Current				
- Trade receivables (refer note 8)	3, 219.49	-	3, 219.49	-
- Loans (refer note 6b)	176.15	-	176.15	-
- Other financial assets (refer note 10)	45.62	-	45.62	-
Liabilities measured at amortised cost for which fair values are disclosed				
Non-Current				
- Other financial liabilities (refer note 14a)	137.12	-	137.12	-
Current				
- Trade payables (refer note 16)	535.49	-	535.49	-
- Other financial liabilities (refer note 14b)	61.32	-	61.32	-

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

B. Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2018:

Particulars	Carrying value	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
Assets measured at Fair value through profit and loss:				
- Investment in subsidiaries and joint venture (refer note 4)	2,534.40	-	-	2,534.40
- Investment in Mutual Funds (refer note 5)	12,700.34	12,700.34	-	-
Assets measured at amortised cost for which fair values are disclosed				
Non-Current				
- Loans (refer note 6a)	910.20	-	-	910.20
Current				
- Trade receivables (refer note 8)	1,483.32	-	-	1,483.32
- Loans (refer note 6b)	3.41	-	-	3.41
- Other financial assets (refer note 10)	48.18	-	-	48.18
Liabilities measured at amortised cost for which fair values are disclosed				
Non-Current				
- Other financial liabilities (refer note 14a)	173.79	-	-	173.79
Current				
- Trade payables (refer note 16)	115.61	-	-	115.61
- Other financial liabilities (refer note 14b)	87.57	-	-	87.57

C. Quantitative disclosures fair value measurement hierarchy for assets as at 01 April 2017:

Particulars	Carrying value	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
Assets measured at Fair value through profit and loss:				
- Investment in subsidiaries and joint venture (refer note 4)	2,411.62	-	-	2,411.62
- Investment in Mutual Funds (refer note 5)	30,971.30	30,971.30	-	-
Assets measured at amortised cost for which fair values are disclosed				
Non-Current				
- Loans (refer note 6a)	6,240.04	-	-	6,240.04
Current				
- Trade receivables (refer note 8)	1,141.65	-	-	1,141.65
- Loans (refer note 6b)	4.84	-	-	4.84

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Particulars	Carrying value	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
- Other financial assets (refer note 10)	-	-	-	-
Liabilities measured at amortised cost for which fair values are disclosed				
Non-Current				
- Other financial liabilities (refer note 14a)	106.46	-	-	106.46
Current				
- Trade payables (refer note 16)	165.05	-	-	165.05
- Other financial liabilities (refer note 14b)	76.40	-	-	76.40

34. Financial risk management objectives and policies

The Company's principal financial liabilities are trade and other payables, security deposits received and finance guarantee obligation. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments (mutual funds, equity shares), trade and other receivables, security deposits, inter corporate deposits, cash and short-term deposits that derive directly from its operations.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include investment in mutual funds.

The sensitivity analyses in the following sections relate to the position as at March 31, 2019 and March 31, 2018.

The following assumptions have been made in calculating the sensitivity analyses:

- The following assumptions have been made in calculating the sensitivity analyses: - The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2019 and March 31, 2018.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and investments in foreign currency. The foreign currency risk is on account of balances outstanding with Max UK

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in GBP exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

The Company exposure to foreign currency risk at the end of reporting year expressed in INR lakhs are as follows:

	March 31, 2019		March 31, 2018		April 01, 2017	
	GBP	INR	GBP	INR	GBP	INR
Financial Liabilities						
Trade payables	0.15	13.55	-	-	0.37	29.86
Total	0.15	13.55	-	-	0.37	29.86

	Increase/ decrease in basis points	Effect on profit before tax	
		March 31, 2019	March 31, 2018
GBP Sensitivity			
INR/ GBP	+50	(0.07)	0
INR/ GBP	-50	0.07	0

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables), including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The Company has developed internal credit rating system/ credit worthiness assessment mechanism as well. As per the management procedure, each party is internally rated on the basis of their external ratings (wherever available), respective industry information / trends available, financial position of party and past transactions with the party. These parties are continuously evaluated after assigning internal grades.

Trade receivables

Customer credit risk is managed subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding trade receivables are reviewed and assessed for default taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowance and impairment is recognised where considered appropriate by the responsible management.

Outstanding balances of trade receivable comprises primarily recoverable from group companies against provision of shared services. The Company's historical experience of collective receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivable are considered to be a single class of financial assets.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The Company evaluates the concentration of risk with respect to trade receivables as low, as its receivables are from its related parties, therefore it is not exposed to any risk.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are approved by the Company's Board of Directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

through counterparty's potential failure to make payments.

All balances with banks and financial institutions is subject to low credit risk due to good credit ratings assigned to the Company.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2019, March 31, 2018 and April 1, 2017 is the carrying amounts as illustrated in note 5, 6, 8, 9 and 10.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company employs prudent liquidity risk management practices which inter alia means maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities. Given the nature of the underlying businesses, the corporate finance maintains flexibility in funding by maintaining availability under committed credit lines and this way liquidity risk is mitigated by the availability of funds to cover future commitments. Cash flow forecasts are prepared not only for the entities but the Group as a whole and the utilized borrowing facilities are monitored on a daily basis and there is adequate focus on good management practices whereby the collections are managed efficiently. The Group while borrowing funds for large capital project, negotiates the repayment schedule in such a manner that these match with the generation of cash on such investment.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Particulars	Less than 1 year	1 to 3 years	Total
	INR lakhs	INR lakhs	INR lakhs
Year ended			
March 31, 2019			
Non-Current			
- Other financial liabilities	-	137.12	137.12
Current			
- Trade payables	535.49	-	535.49
- Other financial liabilities	61.32	-	61.32
	596.81	137.12	733.93
Year ended			
March 31, 2018			
Non-Current			
- Other financial liabilities	-	173.79	173.79
Current			
- Trade payables	115.61	-	115.61
- Other financial liabilities	87.57	-	87.57
	203.18	173.79	376.97
April 01, 2017			
Non-Current			
- Other financial liabilities	-	106.46	106.46
Current			
- Trade payables	165.05	-	165.05
- Other financial liabilities	76.40	-	76.40
	241.45	106.46	347.91

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

35. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio to the maximum of 15%.

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Other financial liabilities (non current)	137.12	173.79	106.46
Trade payables	535.49	115.61	165.05
Other financial liabilities (current)	61.32	87.57	76.40
Less: Cash and cash equivalents	(27.00)	(47.97)	(60.59)
Net debts	706.93	329.00	287.32
Total Equity	172, 901.05	174, 578.81	165, 577.94
Total Capital	172, 901.05	174, 578.81	165, 577.94
Capital and net debt	173, 607.98	174, 907.81	165, 865.26
Gearing ratio %)	0.41%	0.19%	0.17%

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

36. Composite Scheme of Amalgamation and Arrangement

On December 24, 2018, the Board of Directors of Max India Limited (the "Company"), approved a Composite Scheme of Amalgamation and Arrangement (the "Scheme") between the Company, its joint venture Max Healthcare Institute Limited ("Max Healthcare"), its wholly owned subsidiary Advita Allied Health Services Limited ("Advita Allied") and Radiant Life Care Private Limited ("Radiant Life"), and their respective shareholders and creditors subject to obtaining requisite regulatory and other approvals.

The Scheme inter-alia provides for (a) Demerger of the activity of making, holding and nurturing investments in allied health and associated activities (collectively known as "Demerged Undertaking") from the Company into Advita Allied, the shareholders of the Company as on record date (to be specified by the board of directors of the Company subsequently) shall be issued 1 Equity share of Rs. 10 each of Advita Allied for every 5 equity shares of Rs.2 each held in the Company. The shares of Advita Allied shall be listed on the stock exchanges post effectiveness of the Scheme; (b) Demerger of healthcare business of Radiant Life into Max Healthcare, pursuant to which shareholders of Radiant Life as on record date (to be specified by the board of directors of Radiant Life subsequently) shall be issued 9, 074 equity shares of Max Healthcare of Rs. 10 each, for every 10 equity shares, of Rs. 10 each held in Radiant Life and (c) Amalgamation of residual Company (post demerger of the Demerged Undertaking), which comprises of healthcare activities (including its underlying investment in Max Healthcare) with Max Healthcare. The shareholders of the Company as on record date (to be specified by the board of directors of the Company subsequently) shall be issued 99 equity shares of Rs.10 each of Max Healthcare for every 100 equity shares of Rs.2 each held in the Max India Limited. The shares of Max Healthcare shall be listed on stock exchanges post effectiveness of the Scheme after receipt of listing approvals.

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

The parties to the Scheme are currently in the process of obtaining regulatory approvals, post which the Company will file the requisite petitions with National Company Law Tribunal and obtain other approvals, as applicable.

With effect from the Appointed date (as defined in the Scheme), the Company business shall stand demerged with Aditya and Max Healthcare, and the Company shall, pursuant to provisions of section 230 to section 232 and other applicable provisions (if any), of the Companies Act, 2013 stand merged in Max Healthcare as a going concern in the manner provided in the Scheme.

In view of the above these financial statements have been prepared on a going concern basis.

37. First-time adoption of Ind AS

(I) These financial statements, for the year ended March 31, 2019, are the first financial statements the Company which are prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2018, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for years ending on March 31, 2019, together with the comparative year data as at and for the year ended March 31, 2018, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 01, 2017, i.e. the Company's date of transition to Ind AS. This note explains exemptions availed by the Company in restating its previous GAAP financial statements, including the balance sheet as at April 01, 2017 and the financial statements as at and for the year ended March 31, 2018.

Exemptions applied:

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions.

(a) Deemed cost:

Ind AS 101 permits a first-time adopter, where there is no change in functional currency, to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

(b) Investment in subsidiaries:

"As per the requirements of Ind AS 27, Company has opted to record its investment in subsidiary at cost. Ind AS 101 provides that while measuring investment at cost, an entity shall measure that investment at one of the following amounts in its separate opening Ind AS Balance Sheet:

- (i) cost determined in accordance with Ind AS 27; or
- (ii) deemed cost. The deemed cost of such an investment shall be its

- (a) fair value at the entity's date of transition to Ind ASs in its separate financial statements; or
- (b) previous GAAP carrying amount at that date.

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

The Company has elected to consider previous GAAP carrying amount of its investments in subsidiaries on the date of transition to IND AS as its deemed cost for the purpose of determining cost in accordance with principles of IND AS 27-Separate financial statements.

(c) Share based payment transactions

IND AS 101 permits a first time adopter to elect not to apply principles of IND AS 102 to liabilities arising from share based payment transactions that were settled before the date of transition.

The Company has elected not to apply IND AS 102- "Share based payment" on stock options that vested before date of transition.

Estimates

The estimates at April 01, 2017 and at March 31, 2018 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- Fair value through profit and loss (FVTPL) - Mutual funds etc.
- Impairment of financial assets based on expected credit loss model

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at April 01, 2017, the date of transition to Ind AS and as of March 31, 2018."

II) Effect of Ind AS adoption on balance sheet as at April 01, 2017 (date of transition to Ind AS)

	Notes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Assets				
Non-current assets				
Property, plant and equipment		276.33	-	276.33
Investment in subsidiaries and joint venture	37 (V) (b) & (c)	119, 255.92	1, 161.96	120, 417.88
Financial Assets				
(i) Loans	37 (V) (c)	6, 240.04	-	6, 240.04
Non current tax assets		158.39	-	158.39
Other non-current assets		7, 320.00	-	7, 320.00
		133, 250.68	1, 161.96	134, 412.64
Current assets				
Financial Assets				
(i) Investments	37 (V) (a)	30, 051.95	919.35	30, 971.30
(ii) Trade receivables		1, 141.65	-	1, 141.65
(iii) Cash and cash equivalents		60.59	-	60.59
(iv) Loans		4.84	-	4.84
(v) Other financial assets		-	-	-
Other current assets		59.08	-	59.08
		31, 318.11	919.35	32, 237.46
Total assets		164, 568.79	2, 081.31	166, 650.10

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Notes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Equity and liabilities				
Equity				
Equity share capital		5,345.40	-	5,345.40
Other equity	37 (V) (a) & (d)	158,424.47	1,808.07	160,232.54
		163,769.87	1,808.07	165,577.94
Non-current liabilities				
Financial liabilities				
(i) Other financial liabilities	37 (V) (c)	-	106.46	106.46
Provisions		265.51	-	265.51
Deferred tax liabilities (net)	37 (V) (e)	-	113.63	113.63
		265.51	220.09	485.60
Current liabilities				
Financial liabilities				
(i) Trade payables		165.05	-	165.05
a) Total outstanding dues of micro enterprises and small enterprises		-	-	
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		165.05	-	165.05
(ii) Other financial liabilities	37 (V) (c)	23.24	53.16	76.40
Other current liabilities		185.99	-	185.99
Provisions		159.12	-	159.12
		533.40	53.16	586.56
Total equity and liabilities		164,568.78	2,081.32	166,650.10

III) Effect of Ind AS adoption on balance sheet as at March 31, 2018

	Notes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Assets				
Non-current assets				
Property, plant and equipment		254.41	-	254.41
Capital work-in-progress		134.08	-	134.08
Investment in subsidiaries and joint venture	37 (V) (b) & (c)	150,362.79	1,504.74	151,867.53
Financial Assets				
(i) Loans	37 (V) (f)	951.72	(41.52)	910.20
Non current tax assets		124.00	-	124.00
Other non-current assets	37 (V) (f)	7,352.19	25.91	7,378.10
Deferred tax assets	37 (V) (e)	-	56.73	56.73
		159,179.19	1,545.86	160,725.05

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Notes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Current assets				
Financial Assets				
(i) Investments	37 (V) (a)	12,160.59	539.75	12,700.34
(ii) Trade receivables		1,483.32	-	1,483.32
(iii) Cash and cash equivalents		47.97	-	47.97
(iv) Loans		3.41	-	3.41
(v) Other financial assets		-	48.18	48.18
Other current assets	37 (V) (f)	810.16	(33.34)	776.82
		14,505.45	554.59	15,060.04
Total assets		173,684.64	2,100.45	175,785.09
Equity and liabilities				
Equity				
Equity share capital		5,367.66	-	5,367.66
Other equity	37 (V) (a) & (d)	167,321.17	1,889.98	169,211.15
		172,688.83	1,889.98	174,578.81
Non-current liabilities				
Financial liabilities				
(i) Other financial liabilities	37 (V) (c)	-	173.79	173.79
Provisions		316.12	-	316.12
Deferred tax liabilities (net)		-	-	-
		316.12	173.79	489.91
Current liabilities				
Financial liabilities				
(i) Trade payables		115.61	-	115.61
a) Total outstanding dues of micro enterprises and small enterprises		-	-	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		115.61	-	115.61
(ii) Other financial liabilities	37 (V) (c)	50.90	36.67	87.57
Other current liabilities		321.48	-	321.48
Provisions		191.71	-	191.71
		679.70	36.67	716.37
Total equity and liabilities		173,684.65	2,100.44	175,785.09

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

IV) Effect of Ind AS adoption on statement of profit and loss for the year ended March 31, 2018:

Particulars	Notes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Income				
Revenue from operations	37 (V) (a) / (b)	6, 632.57	(256.81)	6, 375.76
Other income	37 (V) (c)/ (g)	0.54	173.84	174.38
Total income		6, 633.11	(82.97)	6, 550.14
Expenses				
Employee benefits expense	37 (V) (d) (g)	2, 523.60	144.62	2, 668.22
Depreciation and amortization expense		86.99	-	86.99
Other expenses	37 (V) (f)	2, 613.91	5.48	2, 619.39
Total expenses		5, 224.50	150.10	5, 374.60
Profit before tax		1, 408.61	(233.07)	1, 175.54
Tax expense :				
Current tax		807.48	-	807.48
Deferred tax	37 (V) (e)	-	(169.01)	(169.01)
Income tax adjustment related to earlier years		(29.94)	-	(29.94)
Profit for the period		631.07	(64.06)	567.01
Other Comprehensive Income (OCI)				
Items that will not be reclassified to profit or loss				
Re-measurement gains (losses) on defined benefit plans	37 (V) (g)	-	(3.91)	(3.91)
Income tax effect	37 (V) (e)	-	1.35	1.35
Other comprehensive income for the period		-	(2.56)	(2.56)
Total Comprehensive Income for the period		631.07	(66.62)	564.45

(V) Footnotes to the reconciliation of equity as at April 01, 2017 and March 31, 2018 and statement of profit and loss for the year ended March 31, 2018:

a) Investments in Mutual Funds

Under Indian GAAP, investments in Mutual Funds were recognised at lower of cost or fair value. However, as per Ind AS 109, such investments have been classified and measured at fair value through statement of profit and loss. Accordingly, under Ind AS, at transition date impact of fair valuation of such mutual funds has been passed through retained earnings and subsequent to transition date, the same has been passed through statement of profit and loss.

b) Investment in Compulsarily redeemable preference shares

Pharmax has issued 9% Compulsarily redeemable preference shares to Max India Limited and the dividend is

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

discretionary. Under Indian GAAP, investment were recorded at transaction value. However, under Ind AS, such instrument are accounted as in the nature 'Compound financial instrument'. At inception (at initial recognition) the financial asset would be recorded at fair value and the differential amount shall be recorded as company's capital contribution in Pharmax. Interest shall be accreted on the fair value of the investment. Interest accreted upto transition date shall be booked in retained earnings and subsequent to transition date, the same has been passed through statement of profit and loss.

c) Financial guarantee

Max India Limited (Company) has given corporate guarantee to Axis bank for a loan taken by Antara Purukul Senior Living Limited (APSL), its step down subsidiary. However, no guarantee fee has been charged for the same. Under Indian GAAP, no accounting treatment has been done for the guarantee. Under Ind AS, financial guarantee contracts shall be accounted for as financial liabilities under Ind AS 109 and initially recognised at fair value. Subsequently, financial guarantee contracts are measured at the higher of: the amount determined in accordance with Ind-AS 109 and the amount initially recognised (fair value) less, when appropriate, cumulative amortisation of the initial amount recognised in accordance with Ind AS 18. The fair value of the guarantee shall be recognised as Company's capital contribution in APSL. Income shall be accreted on the fair value of the guarantee upto transition date and booked in retained earnings. The differential amount between fair value of guarantee and interest accreted upto transition date shall be recorded as financial guarantee obligation.

d) Share based payments

The Company has granted stock options (ESOP) to its employees. Under Indian GAAP, the ESOP expense was recorded using Intrinsic value method. However, under Ind AS 102, employee share-based payments are accounted for using fair value method. Under the ESOP plan, the employees receive shares of the Company upon completion of vesting conditions hence the same will be treated as equity settled share based payment. Grant date fair value of the equity instrument should be used for measuring the ESOP expense. The differential amount of the expense shall be booked in retained earnings on transition date.

e) Deferred Taxes

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach would have resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. Further, deferred tax has been recognised on Ind AS transition adjustments.

f) Security deposits

Under the previous GAAP, interest free security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognized at fair value. Accordingly, the Company has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognized as prepaid expenses. Amortization of prepaid expenses has been recognized in other expenses which is partially set off with notional interest income in statement of profit & loss.

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

g) Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous IGAAP, these remeasurements were forming part of the statement of profit or loss for the year.

h) Retained earnings

Retained earnings as at April 1, 2017 and March 31, 2018 has been adjusted consequent to the above Ind AS transition adjustments.

i) Other comprehensive Income

Under Ind AS, all items of income and expense recognized in a period should be included in statement of profit and loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognized in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' Includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under Indian GAAP.

j) Cash flow statement

The transition from Indian GAAP to Ind AS has no material impact on the statement of cash flows.

j) Cash flow statement

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

38. The standard issued, but not yet effective

The standard issued, but not yet effective up to the date of issuance of the Company financial statements is disclosed below. The Company intends to adopt the standard when it becomes effective.

a) Ind AS 116: Leases:

Ind AS 116 Leases has been notified during the current year and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Transition to Ind AS 116:

The Company is proposing to use the “Modified Retrospective Approach” for transitioning to Ind AS 116 and to apply Ind AS 116 prospectively with cumulative effect of initial application as an adjustment to the opening retained earnings as at April 01, 2019. The Company is currently in process of assessing the impact of this standard on financial statements.

39. Disclosure of under section 186 (4) of the Companies Act 2013

a) Particulars of Loans given:

Name of the Loanee	As at April 01, 2017	Loan given during the year	Loan repaid / converted into equity	As at March 31, 2018	Loan given during the year	Loan repaid / converted into equity	As at March 31, 2019	Purpose
Antara Purukul Senior Living Limited	6,150.00	3,300.00	8,750.00	700.00	1,233.81	-	1,933.81	Operational cash flow requirement
	6,150.00	3,300.00	8,750.00	700.00	1,233.81	-	1,933.81	-

b) Particulars of Guarantee given:

Name of the Enrity	As at April 01, 2017	Guarantee agreed to be given during the year	Guarantee discharged during the year	As at March 31, 2018	Guarantee agreed to be given during the year	Guarantee discharged during the year	As at March 31, 2019	Purpose
Antara Purukul Senior Living Limited	25,033.89	21,696.16	25,033.89	21,696.16	2,447.67	-	24,143.83	Collateral security for term loan for Project
	25,033.89	21,696.16	25,033.89	21,696.16	2,447.67	-	24,143.83	-

c) Particulars of Investments made:

Name of the Investee	As at April 01, 2017	Investment made	Investment redeemed / extinguished	As at March 31, 2018	Investment made	Investment redeemed / extinguished	As at March 31, 2019	Purpose
Investment in Equity Share Capital								
Max Ateev Limited	3,144.36	-	-	3,144.36	-	-	3,144.36	Strategic investment
Max Healthcare Institute Limited.	49,412.68	21,156.87	-	70,569.55	-	-	70,569.55	Strategic investment
Max Bupa Health Insurance Company Limited	47,226.01	-	-	47,226.01	2,805.00	-	50,031.01	Strategic investment
Antara Senior Living Limited	800.00	-	-	800.00	-	-	800.00	Strategic investment
Pharmax Corporation Limited	1,420.81	-	-	1,420.81	-	-	1,420.81	Strategic investment
Max Skill First Limited	1,022.87	-	-	1,022.87	-	-	1,022.87	Strategic investment
Max UK Limited	213.00	-	-	213.00	-	-	213.00	Strategic investment
Investment in Preference Share Capital								
Antara Senior Living Limited	18,321.42	9,950.00	-	28,271.42	3,845.00	-	32,116.42	Strategic investment
Pharmax Corporation Limited	1,500.00	-	-	1,500.00	-	-	1,500.00	Strategic investment
- Ind AS impact	911.62	122.78	-	1,034.40	136.65	-	1,171.05	
Other								
Antara Senior Living Limited (Corporate Guarantee)	250.34	220.00	-	470.34	-	-	470.34	
	124,223.11	31,449.65	-	155,672.76	6,786.65	-	162,459.41	-

Notes to financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

40. During the year ended March 31, 2018, the Company has acquired 201, 49, 399 equity shares at INR 105/- each (i.e. 3.75% equity share capital) of Max Healthcare Institute Limited (MHIL) held by International Finance Corporation, for a consideration of INR 21, 156.87 lakhs. Subsequent to such acquisition, shareholding of the Company in MHIL increased to 49.70%.

41. Details of utilisation of proceeds through preferential issue are as below:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Proceeds received during the year	-	7, 500.00
Less: Amount utilised during the year		
Investment in equity shares of joint ventures	-	7, 500.00
Unutilised amount at the end of the year	-	-

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Firm Registration No. 301003E/E300005
 Chartered Accountants

per Sanjay Vij
 Partner
 Membership No.: 095169

Place: Gurugram
 Date: May 29, 2019

For and on behalf of the Board of Directors of Max India Limited

Mohit Talwar
 (Managing Director)
 DIN - 02394694

Jatin Khanna
 (Chief Financial Officer)

Place: New Delhi
 Date: May 29, 2019

Ashok Brijmohan Kacker
 (Director)
 DIN - 01647408

V. Krishnan
 (Company Secretary)

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INDEPENDENT AUDITOR'S REPORT

To the Members of Max India Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Max India Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its joint ventures comprising of the consolidated Balance sheet as at March 31, 2019, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, and joint ventures, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, and its joint ventures as at March 31, 2019, their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on

Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying

consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
<p>Impairment Assessment of Recoverable amounts to healthcare service providers</p> <p>The Holding company's joint venture "Max Healthcare Institute Limited" (MHIL) engaged in business of providing healthcare services has significant recoverable balances amounting to Rs. 635.31 crores from various healthcare service providers in the form of long term security deposits, trade receivables (current and non-current), and loans. The recovery from the long term recoverable depends on the future cash flows and earning capacity of these healthcare service providers. To ascertain the recoverable value, the management has considered the financial position of these healthcare service providers and recovery plan for the outstanding dues.</p> <p>Considering the significant recoverable balances from healthcare service providers and its recovery dependent on the business plans and future cash flows of these healthcare service providers, we have identified this as a key audit matter.</p>	<p>Our audit procedures included, amongst others:</p> <p>a) Obtained direct confirmations, and obtained evidence of collection from the healthcare service providers after the year end.</p> <p>b) Performed a detailed analysis of trend of recovery from healthcare service providers.</p> <p>c) Evaluated Company's processes and controls relating to the monitoring the amount recoverable and review of credit risks of amounts recoverable from healthcare service providers.</p>
<p>Impairment of goodwill and intangible assets and Property plant and equipment</p> <p>The Holding Company's joint venture "Max Healthcare Institute Limited" (MHIL) engaged in business of providing healthcare services, the consolidated financial statements of MHIL includes the following:</p> <p>a) property plant and equipment amounting to Rs 1, 003.55 crores of various hospitals and</p> <p>b) Goodwill and Intangibles amounting to Rs 285 crores and Rs 946.91 crores respectively, arose from separate acquisitions made by the MHIL in prior years.</p> <p>For the purpose of performing recoverability assessment of property plant and equipment, goodwill and intangibles:</p> <p>a) Management has identified individual hospital as a cash generating units. The recoverable amount of the underlying CGU is determined based on the higher of the fair value less cost of disposal or the value in use. Impairment of long-lived assets is a significant area of judgement due to uncertainties involved in estimating the recoverable amount of CGU, which principally arose from the inputs in both forecasting and discounting future cash flows. To determine the recoverable amount of the CGU is one of the key judgement area in preparing the financial statements due to a combination of the significance of the amounts involved and the inherent uncertainty in the assumptions supporting the recoverable amount of the CGU.</p> <p>Management performs an annual impairment test on the recoverability of the goodwill and intangible assets as required by IND AS which is subjective in nature due to judgements having to be made of future performance. MHIL has used the discounted cash flow model to determine value in use for each appropriate cash generating unit, on the basis of certain assumptions which are subject to significant management judgement. There are uncertainties involved in estimating the recoverable amount of goodwill and intangibles, which principally arose from the inputs in both forecasting and discounting future cash flows. To determine the recoverable amount of the goodwill and intangibles was one of the key judgement area in preparing the financial statements of MHIL due to a combination of the significance of the amounts involved and the inherent uncertainty in the assumptions supporting the recoverable amount of goodwill and intangible assets.</p> <p>Due to the above mentioned factors, impairment of long-lived assets, Goodwill and intangible assets of MHIL's is identified as a key audit matter.</p>	<p>Our audit procedures included, amongst others:</p> <p>a) We involved our valuation specialists to assess the Company's valuation methodology applied in impairment testing of goodwill, intangibles CGUs.</p> <p>b) We involved valuation specialists to assess the assumptions around the key drivers of the cash flow forecasts.</p> <p>c) Read the share purchase agreement between the Company, MHIL and Radiant Life Care Private Limited, for the proposed sale of Company's stake in MHIL.</p>
<p>Change in financial reporting framework - First time adoption of IND AS</p>	

Key audit matters	How our audit addressed the key audit matter
<p>During the year the Group has first time adopted IND AS with the transition date as April 1, 2017. The component auditors of Max Bupa Health Insurance Services limited (“Max Bupa”) and Antara Purukul Senior Living Limited (ASPL) have identified first time adoption of IND AS, as a Key audit matter because of following key adjustments:</p> <ul style="list-style-type: none"> a) Company’s subsidiary Max Bupa engaged in the business of providing healthcare insurance services has recognised a loss of Rs 60.71 crores on investments using expected credit loss model as per the requirements of IND AS 109 -Financial instruments. b) Company’s subsidiary APSL engaged in business of construction and leasing of senior living residential units, has evaluated its lease agreements as per the requirements of IND AS 17 and has classified its lease agreements as Finance lease. <p>The application of IND AS involves complexity and its implementation is dependent on certain judgements, interpretation and estimates taken by the management. The management has selected certain optional exemptions and applied management judgements during implementation of IND AS which have direct impact on the recognition, measurement principles of accounting and its presentation and disclosures in the financial statements.</p>	<p>Procedures performed by component auditors</p> <ul style="list-style-type: none"> a) Obtained and read the management assessment on first time adoption of IND AS. b) Assessed the Company’s process to identify the impact of first time adoption of the new accounting standards. c) performed substantive testing of the IND AS adjustments prepared by management. <p>Procedures performed by principal auditors</p> <ul style="list-style-type: none"> a) Read the Ind AS impact assessment performed by the management to identify areas which were impacted on account of Ind AS transition. b) Read the IND AS financial statements of all the components c) Read and assessed the changes made to the accounting policies due to the requirements of the new financial reporting framework; d) Assessed the disclosures included in the Consolidated Ind AS financial statements in accordance with the requirements of Ind AS (including with respect to the previous periods presented)
Impairment assessment of Property Plant and Equipment, Unsold Inventory in Antara Purukul Senior Living Limited	
<p>The financial statements of Company’s subsidiary Antara Purukul Senior Living Limited (APSL) includes property plant and equipment (PPE) of Rs 87.55 crores and unsold inventory of Rs 278.28 crores.</p> <p>For performing impairment assessment of property plant and equipment and unsold inventory, management has determined its recoverable amounts which is higher of fair value less cost of disposal or the value in use.</p> <p>Impairment of long lived assets and unsold inventory is a significant area of judgement due to uncertainties involved in estimating the recoverable amount which principally arose from the assumptions and market conditions used by the external valuer. To determine the recoverable amount of PPE and unsold inventory is one of the key judgement area in preparing the financial statements due to a combination of the significance of the amounts involved and the inherent uncertainty in the assumptions supporting the recoverable amounts of PPE and unsold inventory.</p> <p>Due to above mentioned factors, impairment of PPE and unsold inventory is identified as a Key audit matter.</p>	<p>Procedures performed by component auditor:-</p> <ul style="list-style-type: none"> a) Read the valuation report of PPE and unsold inventory from the management. b) Assessed the valuation methodology used in the valuation report and read the key assumptions used by the valuer. c) Performed sensitivity analysis around the key assumptions used by management in impairment testing. <p>Procedures performed by principal auditor:</p> <ul style="list-style-type: none"> a) We have read the independent valuation report and assessed the capability, objectivity and competence of the independent valuer. b) We also engaged the assistance of another valuation expert to assess certain key assumptions for PPE and unsold inventory valuation.

We have determined that there are no other key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report 2018-19 of the Company, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent;

and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of the Group and of its joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its joint ventures are also responsible for overseeing the financial reporting process of the Group and of its joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain

audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint ventures of which we are the independent auditors and whose financial information we have audited, to express

an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

- (a) We did not audit the financial statements and other financial information, in respect of eight subsidiaries, whose Ind AS financial statements include total assets of Rs 164, 532.56 lakhs as at March 31, 2019, and total revenues of Rs.8, 367.43 lakhs and net cash outflows of Rs 3, 475.34 lakhs for the year ended on that date. These Ind AS financial statement and other financial information have been audited by other auditors, which financial statements, other financial information

and auditor's reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

- (b) The accompanying consolidated Ind AS financial statements also include the Group's share of net profit of Rs. 57.29 lakhs for the year ended March 31, 2019, as considered in the consolidated Ind AS financial statements, in respect of one joint venture, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of this joint venture, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid joint venture, is based solely on such unaudited financial statement and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.
- (c) The auditor of Max Bupa Health Insurance Company Limited, (Max Bupa), a subsidiary company, have reported that the actuarial valuation of liabilities in respect of claims Incurred But Not Reported (IBNR), including claims Incurred But Not Enough Reported (IBNER), provisioning for Premium Deficiency and Free Look Reserve as at March 31, 2019 and liability adequacy test is the responsibility of the Company's Appointed Actuary ("Actuary") and has been duly certified by the Actuary. The Appointed Actuary has also certified that in his opinion, the assumptions for such valuation are in accordance with provisions of IND AS 104 and the guidelines and norms, if any, issued by the Insurance Regulatory and Development Authority of India ("the Authority") and the Actuarial Society of India in concurrence with IRDAI. The auditors of Max Bupa have relied upon the Actuary's certificate in this regard for forming their opinion on the financial statements of the Company.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, and joint ventures, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
- In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (b) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- (c) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (d) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of

Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, and joint ventures, none of the directors of the Group's companies, joint ventures incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

- (e) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies, joint ventures incorporated in India, refer to our separate Report in "Annexure 2" to this report;
- (f) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, joint ventures incorporated in India, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Holding Company, its subsidiaries, joint ventures incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of

the subsidiaries, joint ventures, as noted in the 'Other matter' paragraph:

- i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, and joint ventures in its consolidated Ind AS financial statements - Refer Note 40 to the consolidated Ind AS financial statements;
- ii. The Group, its joint ventures did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2019;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, and joint ventures incorporated in India during the year ended March 31, 2019.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Sanjay Vij
Partner
Membership Number: 95169

Place of Signature: Gurugram
Date: May 29, 2019

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MAX INDIA LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Max India Limited as at and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Max India Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies and joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to

these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

A company's internal financial control over financial reporting with reference to these consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of un-

authorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiary companies and joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

- a) Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, insofar as it relates to these subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary incorporated in India.
- b) Our report under Section 143(3)(i) of the Act on the

adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding company, insofar it relates to a joint venture, which is unaudited, is based on management assessment of internal controls over financial reporting furnished to us by the management. In our opinion and according to the information and explanations given to us by the management, the joint venture is not material to the Group.

- c) The auditor of Max Bupa Health Insurance Company Limited, (Max Bupa), a subsidiary company, have reported that the actuarial valuation of liabilities in respect of claims Incurred but Not Reported (IBNR), including claims Incurred but Not Enough Reported ('IBNER') as at March 31, 2019 is required to be certified by the Actuary as per the Insurance Regulatory and Development Authority (preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002 (the IRDA Financial Statements Regulations"), and has been relied upon by them, as mentioned in Other matter para of their report on the financial statements of the company as at and for the year ended March 31, 2019. Accordingly, the internal financial controls over financial reporting in respect of the valuation and accuracy of the aforesaid actuary valuation is also certified by the Actuary and accordingly, the auditors of Max Bupa have relied upon the Actuary's certificate.

Our opinion is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and management assessment of internal controls over financial reporting in respect of unaudited joint venture certified by the management.

For S.R. Batliboi & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Sanjay Vij
Partner
Membership Number: 095169
Place of Signature: Gurugram
Date: May 29, 2019

Consolidated Balance Sheet as at March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Notes	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
ASSETS				
Non-current assets				
Property, plant and equipment	3	9,446.95	12,146.52	8,103.22
Capital work in progress	4	578.73	377.93	4,064.23
Goodwill		2,465.67	2,465.67	2,465.67
Other Intangible Assets	5	74.60	2,400.35	1,842.51
Intangible assets under development	5	-	-	4.62
Investment in joint ventures	6a	78,430.49	81,893.06	63,031.69
Financial assets				
- Investments	6b	-	43,663.85	42,591.56
- Loans	7	218.76	555.02	448.39
- Other financial assets	10	23.97	211.73	20.79
Deferred tax assets (net)	13	626.04	226.47	-
Non-current tax assets	12	1,148.98	615.54	343.38
Other non-current assets	14	7,406.00	7,521.87	8,935.96
		100,420.19	152,078.01	131,852.02
Current assets				
Inventories	11	26,341.41	30,022.16	39,431.21
Financial assets				
- Investments	6b	3,666.95	37,543.83	55,350.94
- Loans	7	50.20	20.78	19.62
- Trade receivables	8	2,630.00	1,599.22	1,287.00
- Cash and cash equivalents	9	832.12	4,208.15	3,990.13
- Other financial assets	10	2,473.67	5,854.31	3,009.96
Current tax assets	12	186.34	261.48	223.06
Other current assets	14	1,445.86	3,351.07	1,999.25
		37,626.55	82,861.00	105,311.17
Assets classified as held for sale	33	95,458.71	-	-
Total Assets		233,505.45	234,939.01	237,163.19
EQUITY AND LIABILITIES				
Equity				
Equity share capital	15	5,372.31	5,367.66	5,345.40
Other equity	16	111,648.31	123,589.49	121,465.78
Equity attributable to equity holders of the parent		117,020.62	128,957.15	126,811.18
Non Controlling Interest		11,265.55	13,127.55	12,605.10
Total equity		128,286.17	142,084.70	139,416.28
Non-current liabilities				
Financial liabilities				
- Borrowings	17a	18,579.59	19,967.66	16,430.66

	Notes	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
- Trade payables	18			
Total outstanding dues of micro enterprises and small enterprises		-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		-	1,703.39	1,339.65
- Other financial liabilities	19	101.23	251.30	583.26
Provisions	20	719.29	918.95	912.10
Deferred tax liabilities (net)	13	-	-	25.22
Total non-current liabilities		19,400.11	22,841.30	19,290.89
Current liabilities				
Financial liabilities				
- Borrowings	17b	238.56	1,003.29	4.10
- Trade payables	18			
Total outstanding dues of micro enterprises and small enterprises		10.39	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		2,122.61	12,403.50	11,313.02
- Other financial liabilities	19	3,478.57	14,385.86	18,084.52
Other current liabilities	21	7,197.56	12,396.47	20,086.65
Provisions	20	573.16	29,823.89	28,967.73
Total current liabilities		13,620.85	70,013.01	78,456.02
Liabilities directly associated with assets classified as held for sale	33	72,198.32	-	-
Total equity and liabilities		233,505.45	234,939.01	237,163.19

Summary of significant accounting policies 2

Other notes to accounts 31-50

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Firm Registration No. 301003E/E300005
Chartered Accountants

per **Sanjay Vij**
Partner
Membership No.: 095169

Place: Gurugram
Date: May 29, 2019

For and on behalf of the Board of Directors of Max India Limited

Mohit Talwar
(Managing Director)
DIN - 02394694

Jatin Khanna
(Chief Financial Officer)

Place: New Delhi
Date: May 29, 2019

Ashok Brijmohan Kacker
(Director)
DIN - 01647408

V. Krishnan
(Company Secretary)

Consolidated Statement of Profit and loss

for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
Income			
Revenue from operations	22	15, 575.92	24, 001.52
Other income	23	1, 731.05	1, 118.36
Total income		17, 306.97	25, 119.88
Expenses			
Cost of raw material and components consumed	24	736.10	4, 124.78
(Increase)/ decrease in inventories of finished goods and work in progress	25	3, 947.80	9, 095.33
Employee benefits expense	26	8, 436.80	7, 946.06
Depreciation expense	27	521.46	448.70
Finance costs	28	2, 409.42	2, 607.41
Other expenses	29	6, 023.88	6, 273.15
Total expenses		22, 075.46	30, 495.43
Loss before share of loss of joint ventures and tax from continuing operations	30	(4, 768.49)	(5, 375.55)
Share of loss of joint ventures	36	(99.35)	(581.72)
Loss before tax from continuing operations		(4, 867.84)	(5, 957.27)
Tax expense :			
Current tax	13	681.57	1, 020.70
Deferred tax	13	(402.21)	(248.60)
Income tax adjustment related to earlier years	13	(25.40)	(47.66)
Total tax expense		253.96	724.44
Loss for the year from continuing operations		(5, 121.80)	(6, 681.71)
Discontinuing Operations			
Profit/(loss) before tax for the year from discontinuing operations	33	(7, 889.98)	3, 781.98
Tax expense of discontinuing operations	33	89.82	423.83
Profit/ (loss) for the year from discontinuing operations		(7, 979.80)	3, 358.15
Loss for the year		(13, 101.60)	(3, 323.56)
Other Comprehensive Income ('OCI')			
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations	30	3.39	20.52
Net gain on FVTOCI debt securities	30	(198.19)	(1, 196.03)
Income tax effect	30	69.26	413.95
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		(125.54)	(761.56)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/ (losses) on defined benefit plans	30	(81.53)	18.31

	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
Share of other comprehensive loss of joint ventures	30	(16.89)	-
Income tax effect	30	17.93	12.97
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		(80.49)	31.28
Other comprehensive income for the year, net of tax		(206.03)	(730.28)
Total Comprehensive Income for the year		(13, 307.63)	(4, 053.84)
Loss for the year attributable to			
Equity holders of the parent		(8, 626.54)	(4, 238.38)
Non-controlling interests		(4, 475.06)	914.82
Loss for the year		(13, 101.60)	(3, 323.56)
Total comprehensive income attributable to			
Equity holders of the parent		(8, 750.63)	(4, 576.29)
Non-controlling interests		(4, 557.00)	522.45
Total Comprehensive Income for the year		(13, 307.63)	(4, 053.84)
Earning per share for profit from continuing operations attributable to equity holders of the parent:			
Basic earnings per share(INR) (Face value of INR 2/-)	31	(1.97)	(2.48)
Diluted earnings per share(INR) (Face value of INR 2/-)		(1.97)	(2.48)
Earning per share for profit from discontinuing operations attributable to equity holders of the parent:			
Basic earnings per share(INR) (Face value of INR 2/-)	31	(1.24)	0.90
Diluted earnings per share(INR) (Face value of INR 2/-)		(1.24)	0.89
Earning per share for profit from continuing and discontinuing operations attributable to equity holders of the parent:			
Basic earnings per share(INR) (Face value of INR 2/-)	31	(3.21)	(1.58)
Diluted earnings per share(INR) (Face value of INR 2/-)		(3.21)	(1.58)

Summary of significant accounting policies 2

Other notes to accounts 31-50

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Firm Registration No. 301003E/E300005
Chartered Accountants

per Sanjay Vij
Partner
Membership No.: 095169

Place: Gurugram
Date: May 29, 2019

For and on behalf of the Board of Directors of Max India Limited

Mohit Talwar
(Managing Director)
DIN - 02394694

Jatin Khanna
(Chief Financial Officer)

Place: New Delhi
Date: May 29, 2019

Ashok Brijmohan Kacker
(Director)
DIN - 01647408

V. Krishnan
(Company Secretary)

Consolidated Statement of Changes in Equity for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Equity share capital	No. of shares	Amount
Equity shares of Rs. 10 each issued, subscribed and fully paid up		
As at April 01, 2017	267, 270, 049	5, 345.40
Issue of share capital	1, 113, 016	22.26
As at March 31, 2018	268, 383, 065	5, 367.66
Issue of share capital	232, 573	4.65
As at March 31, 2019	268, 615, 638	5, 372.31

Other Equity

Particulars	Attributable to the Owners Reserves and Surplus							Gross obligations over written put options granted by joint venture	Attributable to Non controlling interest	Total other equity
	Securities premium	Capital reserve	ESOP reserve	FVTOCI reserve	Foreign Currency Translation Reserve	Retained earnings	Share warrants			
As at April 01, 2017	133.53	117, 701.43	368.06	488.76	18.66	6, 125.24	-	(3, 369.90)	12, 605.10	134, 070.88
Profit / (loss) for the year	-	-	-	-	-	(4, 238.38)	-	-	914.82	(3, 323.56)
Other comprehensive income (Note 30)	-	-	-	(398.86)	20.52	40.43	-	-	(392.37)	(730.28)
Total comprehensive income	133.53	117, 701.43	368.06	89.90	39.18	1, 927.29	-	(3, 369.90)	13, 127.55	130, 017.04
Changes during the year	-	-	-	-	-	-	-	(1, 714.16)	-	(1, 714.16)
Transferred from ESOP reserve	129.15	-	(129.15)	-	-	-	-	-	-	-
Premium on issue of equity shares under ESOP	671.96	-	-	-	-	-	-	-	-	671.96
ESOP expenses recognized during the year	-	-	93.66	-	-	-	-	-	-	93.66
Fair valuation of ESOP	-	-	148.54	-	-	-	-	-	-	148.54
Amount received during the year	-	-	-	-	-	7, 500.00	-	-	-	7, 500.00
As at March 31, 2018	934.64	117, 701.43	481.11	89.90	39.18	1, 927.29	7, 500.00	(5, 084.06)	13, 127.55	136, 717.04
Profit for the year	-	-	-	-	-	(8, 626.54)	-	-	(4, 475.06)	(13, 101.60)
Other comprehensive income (Note 30)	-	-	-	(65.76)	3.39	(61.72)	-	-	(81.94)	(206.03)
Total comprehensive income	934.64	117, 701.43	481.11	24.14	42.57	(6, 760.97)	7, 500.00	(5, 084.06)	8, 570.55	123, 409.41
Changes during the year	-	-	-	-	-	-	-	(3, 353.68)	-	(3, 353.68)
Capital contribution by non controlling interest	-	-	-	-	-	-	-	-	2, 695.00	2, 695.00
Transferred from ESOP reserve	166.82	-	(166.82)	-	-	-	-	-	-	-
ESOP expenses recognized during the year	-	-	88.79	-	-	-	-	-	-	88.79
Fair valuation of ESOP	-	-	74.34	-	-	-	-	-	-	74.34
Share warrants forfeited during the year	-	7, 500.00	-	-	-	-	(7, 500.00)	-	-	-
As at March 31, 2019	1, 101.46	125, 201.43	477.42	24.14	42.57	(6, 760.97)	-	(8, 437.74)	11, 265.55	122, 913.86

Summary of significant accounting policies

2

Other notes to accounts

31-50

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

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

Firm Registration No. 301003E/E300005

Chartered Accountants

per **Sanjay Vij**

Partner

Membership No.: 095169

For and on behalf of the Board of Directors of Max India Limited

Mohit Talwar
(Managing Director)
DIN - 02394694

Ashok Brijmohan Kacker
(Director)
DIN - 01647408

Jatin Khanna
(Chief Financial Officer)

V. Krishnan
(Company Secretary)

Place: Gurugram

Date: May 29, 2019

Place: New Delhi

Date: May 29, 2019

Consolidated Statement of Cash flows

for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	For the year ended March 31, 2019	For the year ended March 31, 2018
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(loss) before tax:		
Profit/(loss) before tax from continuing operations	(4, 867.84)	(5, 957.27)
Profit/(loss) before tax from discontinuing operations	(7, 889.98)	3, 781.98
Adjustments for:		
Interest expense	2, 240.27	2, 337.11
Liabilities/provisions no longer required written back	(7.73)	-
Depreciation and amortisation expense	1, 162.64	1, 159.77
Interest Income	(35.81)	(54.30)
(Gain)/ loss on sale/redemption of investments (net)	(626.71)	(1, 024.73)
Employee stock option expense	129.09	193.29
(Gain)/ Loss on sale of assets (net)	(1, 411.99)	(875.43)
Fair value (gain)/loss on financial assets valued at fair value through profit or loss	-	(21.85)
Provision for delay of possession	-	88.34
Allowance for doubtful debts	195.52	3.22
Fair value (gain)/ loss on mutual funds	(31.03)	(539.76)
Operating Loss before working capital changes	(11, 143.57)	(909.63)
Movements in working capital:		
(Increase) / decrease in inventories (current)	3, 680.75	9, 409.05
(Increase) / decrease in trade receivables (current)	(1, 226.30)	(315.44)
(Increase) / decrease in other financial assets/ other assets (current / non-current)	(5, 712.85)	(3, 321.46)
Increase / (decrease) in trade payable (current / non-current)	2, 222.10	1, 454.22
Increase / (decrease) in provisions (current / non-current)	7, 661.05	771.58
Increase / (decrease) in other financial liabilities/ other liabilities (current / non-current)	5, 469.22	(2, 270.11)
Net cash generated from operations	950.40	4, 818.21
Refund received / (payment) of direct taxes (net)	(1, 204.29)	(1, 707.45)
Net cash from operating activities (A)	(253.89)	3, 110.76
B CASH FLOW FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	99.15	(3, 636.86)
Proceeds from sale of fixed assets	1, 764.54	2, 442.30
Proceeds from/in short term investment (mutual funds) (net)	3, 367.80	19, 371.60
Proceeds from/in long term investment (others) (net)	(4, 667.28)	(22, 378.10)
Increase / (decrease) in capital creditors	(955.94)	(1, 531.52)
Interest received	1, 817.11	365.71
Net cash from/ (used in) investing activities (B)	1, 425.38	(5, 366.87)

	For the year ended March 31, 2019	For the year ended March 31, 2018
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital	4.65	694.22
Issue of shares by subsidiary to minority	2, 695.00	-
Proceeds from issue of share warrants	-	7, 500.00
Proceeds from long-term borrowings	(1, 388.07)	3, 537.00
Proceeds from short-term borrowings	(623.56)	(6, 929.44)
Interest paid	(2, 249.73)	(2, 327.65)
Net cash from/ (used in) financing activities (C)	(1, 561.71)	2, 474.13
D Net increase / (decrease) in cash and cash equivalents (A+B+C)	(390.22)	218.02
E Cash and cash equivalents as at the beginning of the year	1, 358.74	3, 990.13
F Movement in cash and cash equivalents pertaining to discontinuing operations	(136.40)	-
Cash and cash equivalents as at the end of the year	832.12	4, 208.15
Components of Cash and Cash Equivalents		
Cash on hand	4.82	34.75
Balances with scheduled banks		
- On current accounts	823.35	2, 928.15
- Cheques/drafts in Hand	3.95	180.25
- Deposits with original maturity of upto 3 months	-	1, 065.00
Total cash and cash equivalents (Refer Note 9)	832.12	4, 208.15

The above consolidated cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7- Statement of Cash Flows.

Summary of significant accounting policies 2
Other notes to accounts 31-50

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Firm Registration No. 301003E/E300005
Chartered Accountants

per Sanjay Vij
Partner
Membership No.: 095169

Place: Gurugram
Date: May 29, 2019

For and on behalf of the Board of Directors of Max India Limited

Mohit Talwar
(Managing Director)
DIN - 02394694

Jatin Khanna
(Chief Financial Officer)

Place: New Delhi
Date: May 29, 2019

Ashok Brijmohan Kacker
(Director)
DIN - 01647408

V. Krishnan
(Company Secretary)

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

1. Corporate information

The consolidated financial statements comprise financial statements of Max India Limited (the "Company" or "MIL"), its subsidiaries and its joint ventures (collectively referred to as the "Group") for the year ended March 31, 2019. Max India Limited is a public limited company registered under Companies Act, 2013 and incorporated on January 01, 2015. The shares of the Company are listed on National Stock Exchange (NSE) and BSE Limited (BSE) effective July 14, 2016.

The Company is primarily engaged in making business investment in its subsidiaries and providing management advisory services to its group companies.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 29, 2019.

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). For all periods up to and including the year ended March 31, 2018, the Group has prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2019 are the first the Group has prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standard) Rules, 2015, as amended. Refer to note 37 for information on how the Group adopted Ind AS.

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value

(i) Certain financial assets and liabilities that are

measured at fair value

Financial Statement are presented in INR and all values are rounded to nearest Lakhs (INR 00, 000) except when otherwise stated.

2.2 Basis of consolidation

During the current year, the Company ceased to be a core investment company (non systemically important) as per the Non-Banking Financial Company (NBFC) Rules defined under the RBI Act, 1934. Accordingly, the consolidated financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). For all periods up to and including the year ended March 31, 2018, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2019 are the first the Company has prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standard) Rules, 2015, as amended. Refer to note 48 for information on how the Company adopted Ind AS.

The consolidated financial statements comprise the financial statements of the Company, its subsidiaries and its joint ventures as at March 31, 2019. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)

Exposure, or rights, to variable returns from its involvement with the investee, and

The ability to use its power over the investee to affect its returns

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

The contractual arrangement with the other vote holders of the investee

Rights arising from other contractual arrangements

The Group's voting rights and potential voting rights

The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended March 31, . When the end of the reporting period of the parent is different from that of a subsidiary,

the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

2.3 Summary of significant accounting policies

a) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and

they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

Liabilities or equity instruments related to share based payment arrangements of the acquiree or share - based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.

Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

b) Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part

of the Group's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit and loss.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss

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c) Current versus non-current classification

The Group presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

- a. Expected to be realised or intended to be sold or consumed in normal operating cycle
- b. Held primarily for the purpose of trading
- c. Expected to be realised within twelve months after the reporting period, or
- d. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when it is:

- a. Expected to be settled in normal operating cycle
- b. Held primarily for the purpose of trading
- c. It is due to be settled within twelve months after the reporting period, or
- d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

d) Property, plant and equipment

On transition to Ind AS, the Group has applied exemption of Ind AS and elected to continue with the carrying value of all of its property, plant and equipment as at March 31, 2017, measured as per

the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment as on April 01, 2017.

Property, Plant and equipment including capital work in progress are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of CENVAT, VAT and GST credit availed wherever applicable. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their respective useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset are derecognised when replaced. Further, when each major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the

Notes to consolidated financial statements for the year ended March 31, 2019

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net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Capital work in progress includes cost of property, plant and equipment under installation/under development as at the balance sheet date.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

e) Depreciation on Property, Plant and Equipment

Cost of Tangible Assets, less its residual value, is depreciated on pro-rata basis on Straight Line Method over the useful life of the assets estimated by the management. Pursuant to this policy, assets are depreciated over the following term-

Asset Type Estimated Useful Life (In Years)

Asset Type	Estimated Useful Life (In Years)
Building	60 years
Plant and Machinery	5 years
IT Equipment (End user devices)	3 years
IT Equipment (Servers and network)	4-6 years
Office Equipments	3-5 years
Leasehold Improvements	3 years (life of lease)
Furniture and Fixtures	8 - 10 years
Vehicles	3-8 years

The Group, based on technical assessment made by technical expert and management estimate, depreciates above mentioned items over estimated useful lives. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

f) Intangible assets

On transition to Ind AS, the Group has applied exemption of Ind AS and elected to continue with the carrying value of all of its intangible assets as

at March 31, 2017, measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets as on April 01, 2017.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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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 recognised in the statement of profit or loss when the asset is derecognised.

g) Leases

Group as a lessor:

Leases in which the Group transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. The Group is receiving full lease consideration in advance before possession/registration of lease deed. In such case the entire lease consideration towards the apartment to the extent it is related to lease rentals, is recognized as revenue in the Statement of Profit & Loss and the costs of the leased unit is transferred from inventory to Statement of Profit & Loss.

Leases in which the Group 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 PPE. 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.

Group as a lessee:

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at fair value of the leased property on inception date or, if lower, at

the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

h) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's, recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net fair value less cost of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use,

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the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net fair value less cost of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For the remaining economic life of the asset or cash-generating unit (CGU), a long term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In this case, the growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Group operates, or for the market in which the asset is used.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining economic life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses no longer exist or may have decreased. If such indication exists, the Group 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.

i) Provisions, Contingent liabilities, Contingent Assets, and Commitments

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a 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. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities

Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will not be required to settle the obligation
- A present obligation arising from past events, when no reliable estimate is possible

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- A possible obligation arising from past events, unless the probability of outflow of resources is remote

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are recognized when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate. A contingent asset is disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting date.

j) Retirement and other Employee Benefits

Provident fund

The Group contributed to employees provident fund benefits through a trust "Max Financial Services Limited Provident Fund Trust" managed by Max Financial Services Limited (erstwhile Max India Limited) whereby amounts determined at a fixed percentage of basic salaries of the employees are deposited to the trust every month. The benefit vests upon commencement of the employment. The interest rate payable by the trust to the beneficiaries every year is notified by the government and the Group has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The Group has obtained actuarial valuation to determine the shortfall, if any, as at the Balance Sheet date. The Group recognises contribution payable to the provident fund as an expense, when the employee renders the related service.

Gratuity

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

the end of each financial year.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit (liabilities/assets). The Group recognized the following changes in the net defined benefit obligation under employee benefit expenses in statement of profit and loss.

- Service cost comprising current service cost, past service cost, gain & loss on curtailments and non routine settlements.
- Net interest expenses or income.

Compensated Absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group 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 Group 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. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Group presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer

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its settlement for 12 months after the reporting date. Where Group has the unconditional legal and contractual right to defer the settlement for a period 12 months, the same is presented as non-current liability.

Short-term obligations

Liabilities for wages and salaries, including non monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employee service upto the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled. the liabilities are presented as current employee benefit obligations in the balance sheet.

k) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two broad categories:

- a) Debt instruments at amortised cost

- b) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

Debt instrument at amortised cost: A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. EIR is the rate that exactly discount the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate to the gross carrying amount of financial assets. When calculating the effective interest rate the Group estimate the expected cash flow by considering all contractual terms of the financial instruments. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTPL: FVTPL is a residual category for financial assets. Any Financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces

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or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L. Interest income from these debt instruments is included in other income.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognized (i.e., removed from the Group's statement of financial position) when:

- the rights to receive cash flows from the asset have expired, or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows

in full without material delay to a third party under a "pass through" arrangement and either;

- (a) the Group has transferred the rights to receive cash flows from the financial assets or
- (b) the Group has retained the contractual right to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred its right to receive cash flows from an asset or has entered into a pass through agreement, the Group evaluates whether it has transferred substantially all the risks and rewards of the ownership of the financial assets. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all the risks and rewards of the ownership of the financial assets, the financial asset is not derecognized.

Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all the risks and rewards of the ownership of the financial assets. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all the risks and rewards of the ownership of the financial assets, the financial asset is not derecognized.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Financial assets measured at amortised cost; e.g. Loans, Security deposits, trade receivable, bank balance, other financial assets etc.

Financial guarantee contracts measured at fair value through profit or loss (FVTPL)

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The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Group estimates the following provision matrix at the reporting date:

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and

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other payables, financial guarantee obligations etc.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities measured at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit or loss.

Financial Guarantee Contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it

incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Trade Payables

These amounts represents liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using EIR method.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

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l) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

m) Foreign currencies

The financial statements are presented in INR, which is also the Group's functional and presentation currency.

Transactions in foreign currencies are initially recorded by the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses an average rate if the average approximates the actual rate at the date of the transaction.

Measurement of foreign currency items at the balance sheet date

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

i) Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting

entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.

ii) Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.

iii) Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

n) Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date. The Group determines fair value based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i) In the principal market for the asset or liability, or

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- ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group determines the policies and procedures for recurring fair value measurement, such as

derivative instruments and unquoted financial assets measured at fair value.

External valuers are involved for valuation of significant assets, such as properties and financial assets and significant liabilities. Involvement of external valuers is decided upon annually by the management. The management decided, after discussions with the Group's external valuers which valuation techniques and inputs to use for each case.

At each reporting date, the Group analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the Group verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- a) Disclosures for valuation methods, significant estimates and assumptions (note 44)
- b) Quantitative disclosures of fair value measurement hierarchy (note 44)
- c) Financial instruments (including those carried at amortised cost) (note 44)

o) Revenue recognition

Revenue from contract with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Revenue from food and beverages, maintenance and club services are recognized upon rendering of service. Sales are net of discounts. Goods service tax is reduced from sales.

Revenue from club membership is collected upfront either for lifetime or for a specified period. Revenue from membership admission fee is recognized as income on admission of a member. Admission fee collected is non refundable and non transferrable. Annual entitlement fee, which entitles the members to the club membership facilities over the agreed membership period, is recognized as income in the year for which it is received.

Revenues from Shared services are recognized over the period of the contract as and when services are rendered. The Group collects service tax & GST on behalf of the government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

Revenues from training services are recognized over the period of the contract as and when services are rendered. The Group collects service tax & GST on behalf of the government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

Revenue from leasing activities

The Group transfers substantially all the risks and benefits of ownership of the asset transferred on finance lease. Any amount received before possession/registration of lease deed to the extent it is related to lease rentals is recognized as revenue in the Statement of Profit & Loss.

In respect of lease rentals on non cancellable operating lease, revenue is recognised on a

straight-line basis over the lease term and in respect of lease rentals on cancellable operating lease, revenue is recognised on the time proportionate basis as per related agreements.

Revenue from other operating activities

Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

The Group considers in determining the transaction price for the sale of services, whether there are other promises in the contract that are separate performance obligation to which a portion of transaction price needs to be allocated..

Contract balances

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets for further reference.

Insurance receivables

The Group recognises the insurance receivables when due and measures on initial recognition at the fair value of the consideration receivable. Subsequent to initial recognition, insurance receivables are measured at amortised cost, using the EIR method. The carrying value of

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

insurance receivables is reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable, with the impairment loss recorded in the statement of profit or loss.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Insurance contract liabilities

Non-life insurance contract liabilities include the outstanding claims provision, the provision for unearned premium and the provision for premium deficiency. The outstanding claims provision is based on the estimated ultimate cost of all claims incurred but not settled at the reporting date, whether reported or not, together with related claims handling costs and a reduction for the expected value of salvage and other recoveries. Delays can be experienced in the notification and settlement of certain types of claims. Therefore, the ultimate cost of these cannot be known with certainty at the reporting date. The liability is calculated at the reporting date using a range of standard actuarial claim projection techniques, based on empirical data and current assumptions that may include a margin for adverse deviation. The liability is not discounted for the time value of money.

No provision for equalisation or catastrophe reserves is recognised. The liabilities are derecognised when the obligation to pay a claim expires, is discharged or is cancelled.

The provision for unearned premiums represents that portion of premiums received or receivable that relates to risks that have not yet expired at the reporting date. The provision is recognised when contracts are entered into and premiums are charged, and is brought to account as premium income over the term of the contract in accordance with the pattern of insurance service provided under the contract.

At each reporting date, the Group reviews its unexpired risk and a liability adequacy test is performed in accordance with IndAS to determine whether there is any overall excess of expected claims and deferred acquisition costs over unearned premiums. This calculation uses current estimates of future contractual cash flows after taking account of the investment return expected to arise on assets relating to the relevant non-life insurance technical provisions. If these estimates show that the carrying amount of the unearned premiums (less related deferred acquisition costs) is inadequate, the deficiency is recognised in the statement of profit or loss by setting up a provision for premium deficiency.

Insurance payables

Insurance payables are recognised when due and measured on initial recognition at fair value of the consideration received less directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the EIR method.

Premium received in advance

Premium received in advance represents premium received in respect of those policies issued during the year where the risk commences subsequent to the balance sheet date.

p) Taxes

Tax expense comprises current and deferred tax.

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(Amount in INR lakhs, unless otherwise stated)

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. 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 recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry

forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- ii) In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.
- iii) The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in

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(Amount in INR lakhs, unless otherwise stated)

correlation to the underlying transaction either in OCI or directly in equity.

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 taxes relate to the same taxable entity and the same taxation authority.

Deferred tax includes Minimum Alternate Tax (MAT) recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during specified period.

q) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

r) Share-based payments

Employees of the Group receive remuneration in the form of share based payment transaction, whereby employees render services as a consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognized, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognized for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

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(Amount in INR lakhs, unless otherwise stated)

When the terms of an equity-settled award are modified, the minimum expense recognized is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

s) **Non-current assets held for sale/ distribution to owners and discontinuing operations:**

The Group classifies non-current assets and disposal groups as held for sale/ distribution to owners if their carrying amounts will be recovered principally through a sale/ distribution rather than through continuing use. Actions required to complete the sale/ distribution should indicate that it is unlikely that significant changes to the sale/ distribution will be made or that the decision to sell/ distribute will be withdrawn. Management must be committed to the sale/ distribution expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale/ distribution classification is regarded met only when the assets or disposal group is available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales/ distribution of such assets (or disposal groups), its sale/ distribution is highly probable; and it will genuinely be sold, not abandoned. The group treats sale/ distribution of the asset or disposal group to be highly probable

when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale/for distribution to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell/ distribute. Assets and liabilities classified as held for sale/ distribution are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale/ distribution to owners are not depreciated or amortised.

A disposal group qualifies as discontinuing operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations

Discontinuing operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

discontinuing operations in the statement of profit and loss.

Additional disclosures are provided in Note 33. All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

t) Borrowing Cost

Borrowing cost includes interest expense as per effective interest rate [EIR]. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset until such time that the asset are substantially ready for their intended use. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences

to the extent regarded as an adjustment to the borrowing costs.

u) Inventories

Inventories are valued at lower of cost and net realisable value.

Cost incurred in bringing each product to its present condition and location are accounted for as follows -

- i) Raw material and stores & spares - Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined using the weighted average method.
- ii) Finished goods and work in progress (relating to finance lease) - Cost includes cost of land, direct materials and services including labour and a portion of direct overheads including borrowing costs. Cost is determined using average method.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

3. Property, plant & equipment

	Freehold land	Leasehold land	Building	Plant and Machinery	Computers	Office equipments	Leasehold improvements	Furniture & Fixtures	Vehicles	Total
Gross block										
As at April 01, 2017*	4,438.49	1.82	1,401.16	88.53	826.21	311.02	480.50	199.01	356.48	8,103.22
Additions	-	-	5,124.41	915.56	524.09	96.28	47.61	994.21	57.18	7,759.34
Deletion	2,513.69	-	-	-	110.03	22.49	11.11	18.93	46.16	2,722.41
As at March 31, 2018	1,924.80	1.82	6,525.57	1,004.09	1,240.27	384.81	517.00	1,174.29	367.50	13,140.15
Additions	-	89.83	28.41	6.29	275.20	100.56	171.50	71.50	42.14	785.43
Deletion	0.42	-	1,295.64	18.09	6.85	8.33	5.35	32.52	28.13	1,395.33
Discontinuing Operations (Refer Note 33)	-	-	-	-	(1,330.96)	(327.41)	(530.71)	(71.98)	-	(2,261.06)
As at March 31, 2019	1,924.38	91.65	5,258.34	992.29	177.66	149.63	152.44	1,141.29	381.51	10,269.19
Depreciation / amortisation										
As at April 01, 2017	-	-	-	-	-	-	-	-	-	-
For the year (Refer note A)	-	-	93.65	68.20	403.31	136.97	248.28	117.72	91.64	1,159.77
Deletions	-	-	-	-	107.59	18.81	9.56	18.72	11.46	166.14
As at March 31, 2018	-	-	93.65	68.20	295.72	118.16	238.72	99.00	80.18	993.63
For the year (Refer note A)	-	-	104.45	78.65	410.40	116.64	236.26	139.94	76.30	1,162.64
Deletion	-	-	47.04	2.40	5.84	3.64	5.28	11.77	11.68	87.65
Discontinuing Operations (Refer Note 33)	-	-	-	-	(620.49)	(160.47)	(428.99)	(36.43)	-	(1,246.38)
As at March 31, 2019	-	-	151.06	144.45	79.79	70.69	40.71	190.74	144.80	822.24
Net block										
As at April 01, 2017	4,438.49	1.82	1,401.16	88.53	826.21	311.02	480.50	199.01	356.48	8,103.22
As at March 31, 2018	1,924.80	1.82	6,431.92	935.89	944.55	266.65	278.28	1,075.29	287.32	12,146.52
As at March 31, 2019	1,924.38	91.65	5,107.28	847.84	97.87	78.94	111.73	950.55	236.71	9,446.95

*The Group has elected Ind-AS 101 exemption and continued with the carrying value for all of its Property, Plant and Equipment as its deemed cost as at the date of transition i.e. April 01, 2017. However, the information regarding gross block of assets and accumulated depreciation has been disclosed by the Group separately as follows -

	Freehold land	Leasehold land	Building	Plant and Machinery	Computers	Office equipments	Leasehold improvements	Furniture & Fixtures	Vehicles	Total
Gross Block	4,438.49	1.82	1,807.72	724.77	2,422.29	859.29	2,084.22	589.31	582.76	13,510.67
Accumulated Depreciation	-	-	406.56	636.24	1,596.08	548.27	1,603.72	390.30	226.28	5,407.45
Deemed cost as at April 01, 2017	4,438.49	1.82	1,401.16	88.53	826.21	311.02	480.50	199.01	356.48	8,103.22

Note:

(A) Includes depreciation of tangible assets of Rs 676.25 lakhs (March 31, 2018 Rs 732.27 lakhs) on assets relating to discontinuing operations (Refer Note 33)

(B) Capitalised borrowing costs

The Group started the construction of a Club in Senior Living Project in financial year 2014-15. This project was completed in financial year 2017-18. Borrowing cost capitalised in Building is Rs. Nil (March 31, 2018: Rs 781.32 lakhs, April 01, 2017: Rs Nil)

The rate used to determine the amount of borrowing costs eligible for capitalisation was based on effective interest

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

rate of the borrowing.

4. Capital work in progress

	Construction Cost	Others	Total
As at April 01, 2017	4, 021.03	43.20	4, 064.23
Addition during the year	377.92	-	377.92
Capitalised during the year	4, 021.02	43.20	4, 064.22
As at March 31, 2018	377.93	-	377.93
Addition during the year	392.19	193.99	586.18
Capitalised during the year	191.39	-	191.39
Discontinuing Operations (Refer Note 33)	-	(193.99)	(193.99)
As at March 31, 2019	578.73	-	578.73

PPE under charge

PPE with a carrying amount of INR 7, 308 lakhs (March 31, 2018: INR 7, 518 lakhs) are subject to a first charge to secure Group's bank loan.

5. Other Intangible assets

	Computer software	Website	Intangibles Under Development	Total
Gross block				
As at April 01, 2017*	1, 841.08	1.43	4.62	1, 847.13
Additions	1, 433.75	-	-	1, 433.75
Deletion	0.23	-	4.23	4.46
As at March 31, 2018	3, 274.60	1.43	0.39	3, 276.42
Additions	793.22	-	-	793.22
Deletion	284.36	-	-	284.36
Discontinuing Operations (Refer Note 33)	(3, 664.68)	(1.43)	-	(3, 666.11)
As at March 31, 2019	118.78	-	0.39	119.17
Amortisation				
As at April 01, 2017	-	-	-	-
Additions (Refer note A)	874.86	1.05	0.39	876.30
Deletion	0.23	-	-	0.23
As at March 31, 2018	874.63	1.05	0.39	876.07
Additions (Refer note A)	997.22	0.38	-	997.60
Deletion	164.50	-	-	164.50
Discontinuing Operations (Refer Note 33)	(1, 663.17)	(1.43)	-	(1, 664.60)
As at March 31, 2019	44.18	-	0.39	44.57
Net block				
As on April 01, 2017	1, 841.08	1.43	4.62	1, 847.13

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(Amount in INR lakhs, unless otherwise stated)

	Computer software	Website	Intangibles Under Development	Total
As at March 31, 2018	2,399.97	0.38	-	2,400.35
As at March 31, 2019	74.60	-	-	74.60

*The Group has elected Ind-AS 101 exemption and continued with the carrying value for all of its Intangible assets as its deemed cost as at the date of transition i.e. April 01, 2017. However, the information regarding gross block of assets and accumulated amortisation has been disclosed by the Group separately as follows -

	Computer software	Website	Intangibles Under Development	Total
Gross Block	4,779.92	112.58	96.76	4,989.26
Accumulated Amortisation	2,938.84	111.15	92.14	3,142.13
Deemed cost as at April 01, 2017	1,841.08	1.43	4.62	1,847.13

Note:

(A) Includes amortisation of intangible assets of Rs 962.53 lakhs (March 31, 2018 Rs 855.10 lakhs on assets relating to on discontinuing operations (Refer Note 33)

Impairment testing of goodwill and other intangibles

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments. During the year Group has done the impairment assessment of Goodwill and intangibles (including those appearing in the subsidiaries and joint ventures) and have concluded that there is no impairment in value of goodwill and intangible assets as appearing in the financial statements.

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(Amount in INR lakhs, unless otherwise stated)

6a. Investments in joint ventures

	March 31, 2019	March 31, 2018	April 01, 2017
Investments in joint ventures accounted under equity method (Refer Note 36)			
Max Healthcare Institute Limited			
266, 997, 937 (March 31, 2018: 266, 997, 937; April 01, 2017: 246, 848, 537) Equity shares of Rs.10 each fully paid up	77, 374.24	80, 894.11	62, 056.75
Forum I Aviation Limited			
7, 487, 251 (March 31, 2018: 7, 487, 251; April 01, 2017: 7, 487, 251) Equity shares of Rs.10 each fully paid up	1, 056.25	998.95	974.94
	78, 430.49	81, 893.06	63, 031.69

6b. Other Investments

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Non-trade investments (valued at fair value through profit or loss unless stated otherwise)						
Health Insurance Business						
Bonds (quoted)	-	13, 693.72	8, 786.36	-	23, 289.91	21, 988.54
Government and trust securities (quoted)	-	1, 037.52	-	-	20, 373.94	20, 041.70
Term Deposits (unquoted)	-	5, 977.00	6, 869.00	-	-	225.00
Other than Approved Investments	-	2, 499.08	6, 342.42	-	-	-
Investments at fair value through profit or loss						
Investment -Others						
Max Speciality Films Limited						
Nil (March 31, 2018: Nil; April 01, 2017: 338, 350) Equity shares of Rs.10 each fully paid up	-	-	-	-	-	336.32
Mutual funds						
Unquoted mutual funds						
Aditya Birla Sun Life Cash Plus - Growth Direct Plan Growth						
202, 046 (March 31, 2018: 136, 373 ; April 01, 2017: 1, 942, 984) units of Face value Rs. 100/- per unit fully paid	607.02	380.91	5, 077.20	-	-	-
DHFL Pramerica Insta Cash Plus Fund - Direct Plan Growth						

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(Amount in INR lakhs, unless otherwise stated)

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Nil (March 31, 2018: Nil ; April 01, 2017: 741, 093) units of Face value Rs. 100/- per unit fully paid	-	-	1,566.35	-	-	-
DSP BlackRock Liquidity Fund -Direct Growth						
Nil (March 31, 2018: Nil ; April 01, 2017:280, 058) units of Face value Rs. 1000/- per unit fully paid	-	-	6,513.53	-	-	-
Franklin India Treasury Management Account Fund						
Nil (March 31, 2018: 86, 669 ; April 01, 2017: Nil) units of Face value Rs. 1000/- per unit fully paid	-	2,251.22	-	-	-	-
IDFC Cash Fund - Direct Plan Growth						
Nil (March 31, 2018: 36, 071 ; April 01, 2017: Nil) units of Face value Rs. 1000/- per unit fully paid	-	761.17	-	-	-	-
JM High Liquidity Fund (Direct) Growth						
Nil (March 31, 2018: 4, 248, 757 ; April 01, 2017:14, 800, 894) units of Face value Rs. 10/- per unit fully paid	-	2,021.24	6,588.38	-	-	-
Invesco India Liquid Fund Direct Plan Growth						
Nil (March 31, 2018: 100, 465 ; April 01, 2017: 76, 992) units of Face value Rs. 1000/- per unit fully paid	-	2,403.20	1,723.60	-	-	-
L&T India Liquid Fund- Direct Fund Growth						
Nil (March 31, 2018: 136, 772 ; April 01, 2017: 140, 003) units of Face value Rs. 1000/- per unit fully paid	-	3,259.10	3,122.12	-	-	-
Tata Money Market Fund - Direct Fund Growth						
Nil (March 31, 2018: 9, 174 ; April 01, 2017: 15, 746) units of Face value Rs. 1000/- per unit fully paid	-	251.23	403.58	-	-	-

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
UTI Money Market Fund - Direct Fund Growth						
Nil (March 31, 2018: 102, 804 ; April 01, 2017: 356, 604) units of Face value Rs. 1000/- per unit fully paid	-	2,004.41	6,505.25	-	-	-
Axis Liquid fund - Direct growth						
63,701 (March 31, 2018: 4557 ; April 01, 2017: 98,078) units of Face value Rs. 1000/- per unit fully paid	1,320.87	87.76	1,768.56	-	-	-
Tata Liquid Fund Direct Plan - Growth						
Nil (March 31, 2018: Nil ; April 01, 2017: 2,820) Units of Tata Liquid Fund Direct Plan - Growth	-	-	84.59	-	-	-
HDFC Liquid Fund- Direct Plan- Growth Option						
82 (March 31, 2018: 9900 ; April 01, 2017: Nil) units of Face value Rs. 1000/- per unit.	3.02	338.99	-	-	-	-
ICICI Prudential Liquid-Direct Plan- Growth						
1,087 (March 31, 2018: 1,29,941 ; April 01, 2017: Nil) units of Face value Rs. 100/- per unit.	3.01	334.13	-	-	-	-
Reliance Liquid Fund - Treasury Plan - Direct Growth Plan - Growth Option						
66 (March 31, 2018: 5,735 ; April 01, 2017: Nil) units of Face value Rs. 1000/- per unit.	3.05	243.15	-	-	-	-
Kotak Liquid - Direct Plan Growth						
5,998 (March 31, 2018 : Nil, April 01, 2017 : Nil) units of INR 1000 each fully paid up	226.99	-	-	-	-	-
SBI Liquid Fund- Direct Plan Growth						
20,662 (March 31, 2018 : Nil, April 01, 2017 : Nil) units of INR 1000 each fully paid up	605.09	-	-	-	-	-

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Sundaram Money Fund- Direct Plan Growth						
2, 278, 263 (March 31, 2018 : Nil, April 01, 2017 : Nil) units of INR 10 each fully paid up	897.90	-	-	-	-	-
	3, 666.95	37, 543.83	55, 350.94	-	43, 663.85	42, 591.56
Aggregate value of quoted investment	-	14, 731.24	8, 786.36	-	43, 663.85	42, 030.24
Aggregate value of unquoted investment	3, 666.95	22, 812.59	46, 564.58	-	-	561.32

7. Loans (at amortised cost)

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Unsecured, considered good						
Security deposits given	38.61	17.10	6.57	158.06	515.45	406.85
Loans to joint ventures	-	-	-	38.00	38.00	38.00
Loans to employees	11.59	2.77	13.05	22.70	1.57	3.54
Interest accrued on deposit	-	0.91	-	-	-	-
	50.20	20.78	19.62	218.76	555.02	448.39

8. Trade Receivables

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Unsecured, considered good						
Trade receivables	2, 630.00	1, 599.22	1, 287.00	-	-	-
	2, 630.00	1, 599.22	1, 287.00	-	-	-
Break-up for trade receivables:						
Secured, considered good	-	-	-	-	-	-
Unsecured, considered good	2, 630.00	1, 599.22	1, 287.00	-	-	-
Trade Receivables which have significant increase in credit Risk	-	-	-	-	-	-
Trade Receivables - credit impaired	-	499.86	582.38	-	-	-
	2, 630.00	2, 099.08	1, 869.38	-	-	-
Impairment Allowance (allowance for bad and doubtful debts)						

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Unsecured, considered good	-	-	-	-	-	-
Trade Receivables which have significant increase in credit Risk	-	-	-	-	-	-
Trade Receivables - credit impaired	-	499.86	582.38	-	-	-
Total trade receivables	2,630.00	1,599.22	1,287.00	-	-	-

- i. No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
- ii. For terms and conditions relating to related party receivables, refer note 42.
- iii. Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

9. Cash and cash equivalents

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Cash and cash equivalents						
Cash on hand	4.82	34.75	8.61	-	-	-
Balances with banks - Current accounts	823.35	2,928.15	3,178.35	-	-	-
Cheques/drafts on hand	3.95	180.25	263.17	-	-	-
Deposits with original maturity of less than three months	-	1,065.00	540.00	-	-	-
	832.12	4,208.15	3,990.13	-	-	-

Changes in liabilities arising from financing activities

	April 01, 2017	Cash Flows	March 31, 2018	Cash Flows	March 31, 2019
Current borrowings	4.10	999.19	1,003.29	(764.73)	238.56
Non current borrowings	16,430.66	3,537.00	19,967.66	(1,388.07)	18,579.59
Current maturity of non current borrowings	8,344.63	(7,928.63)	416.00	141.17	557.17
Total liabilities from financial activities	24,779.39	(3,392.44)	21,386.95	(2,011.63)	19,375.32

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

10. Other financial assets

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Unsecured considered good, unless stated otherwise:						
Advances recoverable in cash or kind	-	5.42	1.14	-	-	-
Interest accrued on fixed deposits	0.67	-	0.67	-	-	-
Interest accrued on investments	-	1,781.97	2,092.71	-	-	-
Marginal Money*	-	-	-	23.97	22.35	20.79
Outstanding premium						
Considered good, unsecured	-	356.07	305.67	-	-	-
Credit impaired	-	499.91	582.26	-	-	-
Less: Impairment allowance for outstanding premium credit impaired	-	(499.91)	(582.26)	-	-	-
Agents balances - credit impaired	-	1.68	21.22	-	-	-
Less: Impairment allowance for agent balances credit impaired	-	(1.68)	(21.22)	-	-	-
Due from other entities carrying on insurance business						
Considered good, unsecured	-	3,662.67	609.77	-	-	-
Credit impaired	-	-	20.33	-	-	-
Less: Impairment allowance for dues credit impaired	-	-	(20.33)	-	-	-
Deposits against unclaimed amount of policyholders	-	-	-	-	179.99	-
Interest accrued on deposits against unclaimed amount	-	-	-	-	9.39	-
Amount receivable from related parties	2,473.00	48.18	-	-	-	-
	2,473.67	5,854.31	3,009.96	23.97	211.73	20.79

* To secure bank guarantee given to Protector General of Immigrant

Break-up of financial assets at amortised costs:

	March 31, 2019	March 31, 2018	April 01, 2017
Loans (note 7)	268.96	575.80	468.01
Trade Receivables (note 8)	2,630.00	1,599.22	1,287.00
Cash and Cash equivalents (note 9)	832.12	4,208.15	3,990.13
Other financial assets (note 10)	2,497.64	6,066.04	3,030.75
	6,228.72	12,449.21	8,775.89
Current	5,985.99	11,682.46	8,306.71
Non-current	242.73	766.75	469.18
	6,228.72	12,449.21	8,775.89

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

11. Inventory

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Consumables - others	135.95	137.29	-	-	-	-
Finished goods - held under finance lease	26,205.46	29,884.87	-	-	-	-
Work in progress - held under finance lease	-	-	39,431.21	-	-	-
	26,341.41	30,022.16	39,431.21	-	-	-

12. Tax assets

Particulars	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Advance income tax (net of provisions)	186.34	261.48	223.06	1,148.98	615.54	343.38
	186.34	261.48	223.06	1,148.98	615.54	343.38

13. Income tax

The major components of income tax expense for the years ended are March 31, 2019 and March 31, 2018 are:

Profit or loss section

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current income tax charge	681.57	1,020.70
Income tax adjustment related to earlier years	(25.40)	(47.66)
Deferred tax:		
Relating to origination and reversal of temporary differences	(402.21)	(248.60)
Income tax expense reported in the statement of profit or loss from continuing operations	253.96	724.44

OCI section

	For the year ended March 31, 2019	For the year ended March 31, 2018
Deferred tax related to items recognised in OCI during the year from continuing operations	2.64	(3.09)
Current tax related to items recognised in OCI during the year from discontinuing operations	84.55	430.01
Total tax related to items recognised in OCI during the year from continuing and discontinuing operations	87.19	426.92

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2019 and March 31, 2018:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Accounting profit / (loss) before tax from continuing operations	(4,867.84)	(5,957.27)
At India's statutory income tax rate	26.00% - 29.12%	26.00% - 34.61%
Computed Tax Expense	(1,439.07)	(1,104.93)
Adjustments:		
Income not considered for tax purpose	(129.94)	(326.11)
Expense not allowed for tax purpose	1,014.68	611.15
Item not allowed for tax purpose, capital nature	6.26	132.07
Others	-	(290.97)
Difference in tax rate	(22.60)	39.06
Unabsorbed losses	850.03	1,711.83
Tax relating to earlier years	(25.40)	(47.66)
At the effective income tax rate	253.96	724.44
Income tax expense reported in the statement of profit and loss	253.96	724.44

Deferred tax:

	Balance Sheet		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Deferred tax liability			
Difference in books base and tax base of investments	(60.78)	(287.48)	(551.00)
Accelerated depreciation under Income tax	57.91	44.12	34.52
Conversion of capital asset into stock in trade	(675.41)	(271.63)	-
Others	(11.98)	(19.57)	-
Deferred tax asset			
Expenses allowable on payment basis	266.52	280.09	435.87
Unabsorbed losses	666.26	260.60	1.24
Others	383.52	220.34	54.15
Net deferred tax assets/(liabilities)	626.04	226.47	(25.22)

	Statement of profit and loss	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Deferred tax liability		
Difference in books base and tax base of investments	226.70	263.52
Accelerated depreciation under Income tax	13.79	9.60
Conversion of capital asset into stock in trade	(403.78)	(271.63)
Others	7.59	(19.57)
Deferred tax asset		
Expenses allowable on payment basis	(13.57)	(155.78)
Unabsorbed losses	405.66	259.36
Others	163.18	166.19
Net deferred tax assets/(liabilities)	399.57	251.69

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Reflected in the balance sheet as follows:

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Deferred tax assets	3,677.66	3,846.23	535.12
Deferred tax liabilities	(3,051.62)	(3,619.76)	(560.34)
Net deferred tax assets/(liabilities)	626.04	226.47	(25.22)

Reconciliation of deferred tax assets:

	March 31, 2019	March 31, 2018
Opening balance as of April 01	226.47	(25.22)
Tax income/(expense) during the period recognised in profit or loss	402.21	248.60
Tax income/(expense) during the period recognised in OCI	(2.64)	3.09
Closing balance as at 31 March	626.04	226.47

14. Other assets

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Unsecured, considered good						
Capital advances	-	-	-	7,343.84	7,374.82	8,810.63
Prepaid expenses	113.80	446.09	409.14	61.66	146.55	119.93
Balances with statutory/government authorities	695.49	2,152.17	556.21	-	-	3.56
Other advances	99.21	651.91	718.82	0.50	0.50	1.84
Less: Impairment allowance	-	(36.07)	(38.76)	-	-	-
Unbilled revenue	537.36	136.97	353.84	-	-	-
	1,445.86	3,351.07	1,999.25	7,406.00	7,521.87	8,935.96

15. Equity share Capital

	March 31, 2019	March 31, 2018	April 01, 2017
Authorised shares			
300,000,000 (March 31, 2018 : 300,000,000 and April 01, 2017 : 300,000,000) equity shares of INR 2 each	6,000.00	6,000.00	6,000.00
Issued, subscribed and fully paid equity capital			
268,615,638 (March 31, 2018 : 268,383,065 and April 01, 2017 : 267,270,049) equity shares of INR 2 each	5,372.31	5,367.66	5,345.40
Total issued, subscribed and fully paid-up share capital	5,372.31	5,367.66	5,345.40

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

(i) Reconciliation of the shares outstanding at the beginning and at the end of the year

	March 31, 2019		March 31, 2018		April 01, 2017	
	No of shares	Amount	No of shares	Amount	No of shares	Amount
At the beginning of the year	268,383,065	5,367.66	267,270,049	5,345.40	267,270,049	5,345.40
Add: Shares issued for stock options exercised	232,573	4.65	1,113,016	22.26	-	-
Outstanding at the end of the year	268,615,638	5,372.31	268,383,065	5,367.66	267,270,049	5,345.40

(ii) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 2/- per share. Each holder of equity shares is entitled to one vote per share. The Company has not declared any dividend. 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, in proportion to their shareholding. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Details of shareholders holding more than 5% shares in the Company -

Name of the shareholder	March 31, 2019		March 31, 2018		April 01, 2017	
	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity shares of Rs. 2/- each fully paid-up						
- Liquid Investment and Trading Private Limited	200,000	0.07%	23,818,876	8.87%	23,818,876	8.91%
- Max Ventures Investment Holdings Private Limited	103,467,976	38.52%	66,158,030	24.65%	66,158,030	24.75%
- Mohair Investment and Trading Company Private Ltd	-	-	13,690,570	5.10%	8,086,560	3.03%
- Reliance Capital Trustee Co Ltd A/C Reliance Capital Builder Fund 4 SR A	17,369,062	6.47%	14,601,201	5.44%	12,515,216	4.68%
- WF Asian Reconnaissance Fund Limited	17,201,096	6.40%	-	-	-	-
- Xenok Limited	-	-	-	-	17,161,714	6.42%

(iv) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option plan (ESOP) of the Company, please refer note 41.

Aggregate number of share issued for consideration other than cash during the period of five years immediately preceding the reporting date

The Company has issued total 1,631,639 shares (March 31, 2018: 1,399,066 shares; April 01, 2017 : 286,050 shares) during the period of five years immediately preceding the reporting date on exercise of options granted under the ESOP plan wherein part consideration was received in the form of employees services.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

During financial year 2015-16, pursuant to Composite Scheme of Arrangement and order of Hon`ble High Court of Punjab and Haryana dated December 14, 2015 (Order) sanctioning the Composite Scheme of Arrangement involving Max Financial Services Limited (formerly Max India Limited), Max India Limited (formerly Taurus Ventures Limited) (the Company) and Max Ventures and Industries Limited (formerly Capricorn Ventures Limited), the Company allotted 266, 983, 999 equity shares on May 14, 2016, in the ratio of 1 equity share of Rs. 2 each fully paid up of the company for every one equity share of Rs. 2 each fully paid up, held by shareholder of Max Financial Services Limited on January 28, 2016 (record date).

16. Other Equity

	March 31, 2019	March 31, 2018	April 01, 2017
Capital reserve (refer note a below)	125, 201.43	117, 701.43	117, 701.43
Securities premium (refer note b below)	1, 101.46	934.64	133.53
Gross obligations over written put options granted to NCI (refer note c below)	(8, 437.74)	(5, 084.06)	(3, 369.90)
Employee stock option plan (refer note d below)	477.42	481.11	368.06
Foreign Currency Translation Reserve (refer note e below)	42.57	39.18	18.66
Money received against share warrants (refer note f below)	-	7, 500.00	-
FVTOCI reserve (refer note g below)	24.14	89.90	488.76
Surplus in the statement of profit and loss (refer note h below)	(6, 760.97)	1, 927.29	6, 125.24
	111, 648.31	123, 589.49	121, 465.78
a) Capital reserve			
At the beginning of the year	117, 701.43	117, 701.43	117, 701.43
Add :Share warrants forfeited during the year **	7, 500.00	-	-
	125, 201.43	117, 701.43	117, 701.43
b) Securities premium			
At the beginning of the year	934.64	133.53	133.53
Add: premium on issue of shares under ESOP	-	671.96	-
Add : transferred from stock option outstanding	166.82	129.15	-
	1, 101.46	934.64	133.53
c) Gross obligations over written put options granted by joint venture			
At the beginning of the year	(5, 084.06)	(3, 369.90)	(3, 369.90)
Add : Additions during the year	(3, 353.68)	(1, 714.16)	-
	(8, 437.74)	(5, 084.06)	(3, 369.90)
d) Employee stock option plan			
At the beginning of the year	481.11	368.06	368.06
Add : compensation options granted during the year	88.79	93.66	-
Add: Fair valuation of ESOP	74.34	148.54	-
Less: transferred to securities premium	(166.82)	(129.15)	-
	477.42	481.11	368.06

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	March 31, 2019	March 31, 2018	April 01, 2017
e) Foreign Currency Translation Reserve			
At the beginning of the year	39.18	18.66	18.66
Increase/(decrease) during the year	3.39	20.52	-
	42.57	39.18	18.66
f) Share Warrants[^]			
At the beginning of the year	7,500.00	-	-
Amount received during the year *	-	7,500.00	-
Amount forfeited during the year **	(7,500.00)	-	-
	-	7,500.00	-
g) FVTOCI reserve			
At the beginning of the year	89.90	488.76	488.76
Increase/(decrease) during the year	(65.76)	(398.86)	-
	24.14	89.90	488.76
h) Surplus in the statement of profit and loss			
At the beginning of the year	1,927.29	6,125.24	6,125.24
Add: Profit / (loss) for the year	(8,626.54)	(4,238.38)	-
Add : Other comprehensive income	(61.72)	40.43	-
	(6,760.97)	1,927.29	6,125.24
	111,648.31	123,589.49	121,465.78

* During the previous year, the Group allotted 19,384,584 convertible warrants at an exercise price of Rs. 154.76 per warrants to Mohair Investment and Trading Group Private Limited (an entity belonging to Promoter Group), on receipt of 25% of the warrant subscription amount, i.e. Rs. 7,500.00 lakhs. Each warrant was convertible into 1 equity share as per applicable SEBI guidelines at any time before the expiry of 18 months from the date of allotment i.e. on or before December 19, 2018.

** During the year, the Promoter group decided not to opt for conversion of aforesaid warrants, accordingly, the Board of directors took note of cancellation of aforesaid warrants and forfeiture of upfront warrant subscription amount paid earlier on such warrants.

Nature and purpose of reserves**(i) Capital reserve**

The Group recognizes profit or loss on purchase, sale, issue or cancellation of the Group's own equity instruments to capital reserve.

(ii) Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

(iii) Gross obligations over written put options granted to NCI

A joint venture of the Company has granted put option to its Non controlling interests to sell shares held by them back to the joint venture. The gross obligation of the Company on these options have been recognised through this reserve.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

(vi) Employee stock options outstanding

The employee stock options outstanding is used to recognise the grant date fair value of options issued to employees under Employee stock option plan.

(iv) Foreign Currency Translation Reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity.

(v) FVTOCI reserve

The Group has elected to recognise changes in the fair value of certain investments in debt securities in other comprehensive income. These changes are accumulated within the FVOCI reserve.

17a. Long term borrowings

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Term loans (Secured)						
From banks	-	-	8,344.63	-	-	16,427.52
From non-banking financial companies (NBFC)	551.52	416.00	-	18,562.23	19,967.66	-
Vehicle loan	5.65	-	-	17.36	-	3.14
Less: amount clubbed under other current financial liabilities						
Current maturities of term loan from bank	-	-	(8,344.63)	-	-	-
Current maturities of loan from NBFC	(551.52)	(416.00)	-	-	-	-
Current maturities of vehicle loan	(5.65)	-	-	-	-	-
	-	-	-	18,579.59	19,967.66	16,430.66

(i) Term loan from non-banking financial companies

Antara Purukul Senior Living Limited (APSL)

Term loan from Aditya Birla Finance Limited and Bajaj Finance Limited is Rs 19,113.75 lakhs on EIR method (March 31, 2018 with Aditya Birla Finance Limited: Rs 20,383.66 lakhs; April 01, 2017 Rs Nil) together with interest, additional interest, further interest, liquidated damages, costs, charges, expenses and all other monies whatsoever payable by the Company is secured by the following security interest created in favour of the Bank or the Security Trustee:

- Exclusive charge by way of hypothecation on entire current assets (including receivables both present and future) and movable fixed assets (excluding vehicles hypothecated to the financiers of the vehicles) of Antara Purukul Senior Living Limited and Antara Senior Living Limited, both present and future.
- Exclusive charge over designated account and over all cash flows of Antara Purukul Senior Living Limited APSL and Antara Senior Living including but not limited to cash flows arising out of sales /leasing of area /project receipts/all other cash flows pertaining to project.
- Exclusive charge by way of hypothecation /mortgage/assignment as the case may be of; and

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

- (i) All the FSI, rights, title, interest, benefits, claims and demands whatsoever of the company and ASL in respect of the project, in the project documents, all as amended, varied or supplemented from time to time;
- (ii) Subject to applicable law, all the rights, title, interest, benefits, claims and demands whatsoever of the Company and ASL in the clearances, and
- (iii) all the rights, title, interest, benefits, claims and demands whatsoever of the Company and ASL in any letter of credit, guarantee, performance bond, guarantee, bank guarantee provided by any vendor/contractor/party to the Company and ASL in relation to the project.

d) Corporate Guarantees of Max India Limited.

The loan is repayable in 72 structured monthly instalments from January, 2018 with an option to prepay. The loan is interest bearing with interest ranging from 10.00% to 11.35% during the year.

(ii) Term loan from banks

Term Loan from Axis Bank Limited of Rs.Nil (March 31, 2018 : Rs.Nil April 01, 2017: Rs.24, 772.15 lakhs) is repayable in 12 quarterly instalment commencing from June 15, 2017 with an option to prepay. The loan is secured by a exclusive charge by way of mortgage of the land on which senior living community" ('Project') admeasuring 19 acres (including project land of 13 acres and surplus land of 6 acres) is building and situated at Village Chak Soloniwala, Dehradun, owned by Antara Purukul Senior Living Limited (APSL). Exclusive charge by way of hypothecation on entire current assets and movable fixed assets (excluding vehicles hypothecated to the financiers of the vehicles) of APSL and Antara Senior Living Limited ('ASL'), both present and future. Exclusive charge over designated account and over all cash flows of APSL and ASL including but not limited to cash flows arising out of sales / leasing of area / project receipts / all other cash flows pertaining to project. Exclusive charge on all the receivables of APSL and ASL by way of hypothecation of scheduled receivables both present and future. Exclusive charge by way of hypothecation / mortgage / assignment as the case may be of all the FSI, rights, title, interest, benefits, claims and demands whatsoever of APSL and ASL in respect of the project, in the project documents, all as amended, varied or supplemented from time to time; subject to applicable Law, all the rights, title, interest, benefits, claims and demands whatsoever of APSL and ASL in the clearances, and all the rights, title, interest, benefits, claims and demands whatsoever of APSL and ASL in any letter of credit, guarantee, performance bond, guarantee, bank guarantee provided by any vendor/contractor/party to APSL and ASL in relation to the project. Corporate Guarantees given by Max India Limited and ASL.

- (iii) Vehicle Loans Rs. 23.01 lakhs (March 31, 2018: Rs Nil, April 01, 2017: Rs. 3.14 lakhs) are secured by way of hypothecation of respective vehicles. The loans are repayable in 1 to 5 years.

17b. Short term borrowings

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Short term loan from non banking financial companies (NBFC)	238.56	1, 000.16	-	-	-	-
Vehicle loan	-	3.13	4.10	-	-	-
	238.56	1, 003.29	4.10	-	-	-

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

(i) Short term loan from non-banking financial companies

Antara Purukul Senior Living Limited (APSL)

Short term loan from Aditya Birla Finance Limited is Rs 238.56 lakhs (March 31, 2018: Rs 1, 000.16 lakhs; April 01, 2017: Rs Nil)

- a) Exclusive charge by way of hypothecation on entire current assets (including receivables both present and future) and movable fixed assets (excluding vehicles hypothecated to the financiers of the vehicles) of Antara Purukul Senior Living Limited and Antara Senior Living Limited, both present and future.
- b) Exclusive charge over designated account and over all cash flows of Antara Purukul Senior Living Limited APSL and Antara Senior Living including but not limited to cash flows arising out of sales /leasing of area /project receipts/all other cash flows pertaining to project.
- c) Exclusive charge by way of hypothecation /mortgage/assignment as the case may be of; and
 - (i) All the FSI, rights, title, interest, benefits, claims and demands whatsoever of the company and ASL in respect of the project, in the project documents, all as amended, varied or supplemented from time to time;
 - (ii) Subject to applicable law, all the rights, title, interest, benefits, claims and demands whatsoever of the Company and ASL in the clearances, and
 - (iii) all the rights, title, interest, benefits, claims and demands whatsoever of the Company and ASL in any letter of credit, guarantee, performance bond, guarantee, bank guarantee provided by any vendor/contractor/party to the Company and ASL in relation to the project.
- d) Corporate Guarantees of Max India Limited

(ii) Vehicle Loans Nil (March 31, 2018: Rs. 3.13 lakhs; April 01, 2017: Rs 4.10 lakhs) are secured by way of hypothecation of respective vehicles. The loans are repayable in 1 to 5 years.

18. Trade payables

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Total outstanding dues of Micro Enterprises and Small Enterprises	10.39	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	2, 122.61	12, 403.50	11, 313.02	-	1, 703.39	1, 339.65
	2, 133.00	12, 403.50	11, 313.02	-	1, 703.39	1, 339.65

i. Details of outstanding dues of Micro Enterprises and Small Enterprises

	March 31, 2019	March 31, 2018	April 01, 2017
a) Principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;	10.39	-	-
b) Amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	March 31, 2019	March 31, 2018	April 01, 2017
c) 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 Micro, Small and Medium Enterprises Development Act, 2006;	-	-	-
d) Amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-	-
e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
Trade payables include due to related parties. Refer note 42			
Trade payables are non-interest bearing and are settled as per the terms agreed in the contract.			

19. Other financial liabilities

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Security deposit received	2, 871.67	1, 976.77	222.98	101.23	207.71	102.87
Capital creditors	49.73	962.08	2, 056.80	-	43.59	480.39
Agents' balances	-	942.07	683.68	-	-	-
Balances due to other insurance companies	-	4, 703.15	1, 026.54	-	-	-
Expenses payable	-	0.45	0.74	-	-	-
Interest accrued but not due on borrowings	-	9.46	-	-	-	-
Unclaimed amount- policyholders	-	136.76	177.17	-	-	-
Claims outstanding (includes claims pending investigation)	-	5, 220.05	5, 312.06	-	-	-
Interest on Unclaimed amount of policyholders	-	19.07	-	-	-	-
Current portion of term loan from Banks	-	-	8, 344.63	-	-	-
Current portion of term loan from Financial Institution	551.52	416.00	-	-	-	-
Current portion of vehicle loan	5.65	-	-	-	-	-
Others	-	-	259.92	-	-	-
	3, 478.57	14, 385.86	18, 084.52	101.23	251.30	583.26

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Break-up of financial liabilities at amortised cost:

	March 31, 2019	March 31, 2018	April 01, 2017
Borrowings (note 17)	18,818.15	20,970.95	16,434.76
Trade payables (note 18)	2,133.00	14,106.89	12,652.67
Other financial liabilities (note 19)	3,579.80	14,637.16	18,667.78
	24,530.95	49,715.00	47,755.21
Current	5,850.13	27,792.65	29,401.64
Non-current	18,680.82	21,922.35	18,353.57
	24,530.95	49,715.00	47,755.21

Terms and conditions of the above financial liabilities:

- Other financial liabilities are non-interest bearing and are settled as per the terms agreed in the contract.
- For terms and conditions with related parties, refer to Note 42.
- For explanations on the Group's credit risk management processes, refer to Note 45.

20. Provisions

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Provision for employee benefits						
Gratuity	89.14	54.89	92.64	605.65	653.74	587.66
Leave encashment	307.38	370.39	361.87	113.64	265.21	324.44
Others:						
Provision for incentive	-	-	303.00	-	-	-
Provision for reserve for unexpired risk	-	29,396.18	28,208.10	-	-	-
Provision for income tax (net of advance tax)	176.64	2.43	2.12	-	-	-
	573.16	29,823.89	28,967.73	719.29	918.95	912.10

21. Other liabilities

	Current			Non-Current		
	March 31, 2019	March 31, 2018	April 01, 2017	March 31, 2019	March 31, 2018	April 01, 2017
Statutory dues payable	614.81	1,774.97	875.97	-	-	-
Deferred Income	56.85	39.28	-	-	-	-
Advance from customers	6,525.90	9,024.82	17,643.16	-	-	-
Advance from Corporate Clients	-	117.47	43.60	-	-	-
Advance Lease Rental	-	-	288.57	-	-	-
Unearned Revenue-Premium received in advance	-	524.28	373.75	-	-	-
Advance against Sales Consideration	-	915.65	861.60	-	-	-
	7,197.56	12,396.47	20,086.65	-	-	-

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

22. Revenue from operations

	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Revenue from contract with customers		
Sale of goods	200.81	77.97
Sale of services	8,790.20	7,387.89
(b) Revenue from leasing activities		
Income from finance lease	5,926.49	15,040.83
Income from operating lease:	50.63	65.22
(c) Revenue from other operating activities		
Interest income on:		
- Fixed deposits	5.48	7.55
- Others	-	0.06
Profit on sale of current investments	567.21	862.91
Fair value gain/(loss) on financial assets valued at fair value through profit or loss	32.71	539.76
Other operating income	2.39	19.33
	15,575.92	24,001.52

22.1 Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

	Segment	For the year ended March 31, 2019	For the year ended March 31, 2018
(i) Sale of goods			
Food and beverages	Senior Living	200.81	77.97
(ii) Sale of services			
Maintenance charges	Senior Living	271.52	150.15
Training income	Training and Development	4,714.12	3,945.09
Shared services income	Business Investments	3,503.64	2,934.73
Marketing fee	Senior Living	8.93	-
Club membership fee	Senior Living	89.76	166.10
Club service and others	Senior Living	144.99	76.18
Others	Business Investments	57.24	115.64
Total revenue from contracts with customers		8,991.01	7,465.86
India		8,991.01	7,465.86
Outside India		-	-
Total revenue from contracts with customers		8,991.01	7,465.86

22.2 Contract balances

Particulars	As at March 31, 2019	As at March 31, 2018
Trade receivables	2,560.50	1,551.40
Contract liabilities	6,525.90	9,024.82

Trade receivables are non interest bearing. Credit period generally falls in the range of 60 to 90 days.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

22.3 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

	As at March 31, 2019	As at March 31, 2018
Revenue as per contracted price	8,991.01	7,465.86
Adjustments		
Discount	-	-
Revenue from contracts with customers	8,991.01	7,465.86

22.4 Performance obligations

Information about the Group's performance obligations are summarised below:

(I) Shared Service Income

Revenues from Shared services are recognized over the period of the contract as and when services are rendered. The Group also considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

(II) Senior Living

Revenue from food and beverages, maintenance and club services are recognized upon rendering of service. Revenue from club membership is collected upfront either for lifetime or for a specified period. Revenue from membership admission fee is recognized as income on admission of a member. Admission fee collected is non refundable and non transferrable. Annual entitlement fee, which entitles the members to the club membership facilities over the agreed membership period, is recognized as income in the year for which it is received.

(III) Training Income

Revenues from training services are recognized over the period of the contract as and when services are rendered.

23. Other income

	March 31, 2019	March 31, 2018
Interest income:		
On Bank deposits	1.88	1.79
On Security Deposits	16.29	10.80
Others	12.16	34.10
Profit on sale of property, plant and equipment	1,607.51	878.65
Scrap sale	0.15	6.77
Profit on sale of non-current investments	8.10	16.48
Profit on sale of current investments	51.40	145.34
Leasing of vehicle	-	2.23
Liabilities/provisions no longer required written back	7.73	-
Exchange Gain/(loss) on foreign exchange fluctuations	-	0.35
Fair value gain/(loss) on financial assets valued at fair value through profit or loss	-	21.85
Miscellaneous income	25.83	-
	1,731.05	1,118.36

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

24. Raw material and components consumed

	March 31, 2019	March 31, 2018
Inventory at the beginning of the year	-	-
Add: Purchases made during the year	736.10	4,124.78
	736.10	4,124.78
Less: inventory at the end of the year	-	-
Cost of raw material and components consumed	736.10	4,124.78

25. (Increase)/ decrease in inventories of Finished Goods & Work in progress

	March 31, 2019	March 31, 2018
Inventory at the beginning of the year		
Finished Goods	29,884.87	-
Work in progress	-	39,431.21
	29,884.87	39,431.21
Inventory at the end of the year		
Finished Goods	26,205.46	29,884.87
Work in progress	-	-
	26,205.46	29,884.87
Less : Adjustments made during the year	268.39	(451.01)
(Increase)/ decrease in inventories of finished goods and work in progress	3,947.80	9,095.33

26. Employee benefit expenses

	March 31, 2019	March 31, 2018
Salaries, wages and bonus	7,605.01	6,987.72
Contribution to provident and other funds	276.53	256.76
Employee stock option scheme (refer note 41)	129.09	193.29
Gratuity expense (refer note 37)	139.03	134.38
Staff welfare expenses	287.14	373.91
	8,436.80	7,946.06

27. Depreciation and amortisation expense

	March 31, 2019	March 31, 2018
Depreciation of tangible assets	486.39	427.50
Amortisation of intangible assets	35.07	21.20
	521.46	448.70

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

28. Finance costs

	March 31, 2019	March 31, 2018
Interest on		
- term loans from banks	-	2, 335.93
- term loans from financial institution	2, 053.78	-
- vehicle loans	0.37	-
- others	186.12	1.18
- statutory dues	3.58	5.05
Amortization of ancillary borrowing cost	154.57	261.74
Bank charges	11.00	3.51
	2, 409.42	2, 607.41

29. Other expenses

	March 31, 2019	March 31, 2018
Sales commission	9.60	11.31
Recruitment and training expenses	231.78	133.98
Business promotion and advertisement expenses	116.67	74.92
Rates and taxes	98.59	206.75
Rent	331.52	205.03
Amortisation of prepaid asset	1.34	5.58
Insurance	52.90	74.30
Repairs and maintenance - Others	483.46	500.04
Electricity and water charges	187.15	179.50
Printing and stationery	49.61	50.71
Marketing expenses	250.52	396.41
Travelling and conveyance	517.03	542.25
Communication	91.47	100.93
Membership fees	0.09	8.89
Legal and professional	1, 760.36	1, 921.64
Auditor's remuneration (refer note (i) below)	23.55	18.64
Commission and brokerage	7.99	20.45
Management service charges	805.00	745.93
Rates and Taxes	-	0.33
Directors' fee	125.40	154.74
Infrastructure Cost	144.25	88.25
Advertisement and publicity	7.73	0.19
Provision for delay of possession	-	88.34
Net loss on sale/disposal of fixed assets	195.52	3.22
Allowance for doubtful debts	0.83	0.28
Security & Housekeeping expense	245.29	369.14
Charity and donation	4.38	52.60
Contribution towards CSR (refer note (ii) below)	25.00	23.44
Miscellaneous expenses	220.94	245.97
Fair value loss on mutual funds	1.68	-
Laundry expenses	33.56	48.59
Equipment Hiring Charges	0.67	0.80
	6, 023.88	6, 273.15

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

(i) Payment to auditors (excluding GST):

	March 31, 2019	March 31, 2018
As auditor:		
Fee for statutory audit	18.00	18.00
In other capacity:		
Fee for other services	4.00	-
Reimbursement of expenses	1.55	0.64
	23.55	18.64

As per Section 135 of the Companies Act, 2013, a corporate social responsibility (CSR) committee has been formed by the Group. The areas for CSR activities are promoting healthcare and rural development projects. The Group has provided for & spent Rs. 25.00 Lakhs (March 31, 2018: Rs. 23.44 Lakhs) on various CSR initiatives, during the year, on the projects mentioned below:-

(ii) Details of CSR expenditure:

	March 31, 2019	March 31, 2018
Gross amount required to be spent by the Company during the year	25.00	23.44
(a) Amount spent during the year		
i) Healthcare activities	5.75	5.94
ii) NGO work on healthcare platform	19.25	-
iii) Rural development project	-	17.50
	25.00	23.44

30. Components of other comprehensive income:

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

During the year ended March 31, 2019:

	Foreign Currency Translation Reserve	FVTOCI reserve	Retained Earnings	Total
Net gain on FVTOCI debt securities	-	(198.19)	-	(198.19)
Re-measurement gains/ (losses) on defined benefit plans	-	-	(81.53)	(81.53)
Foreign exchange translation differences	3.39	-	-	3.39
Share of OCI of joint ventures accounted for using equity method	-	-	(16.89)	(16.89)
Income tax effect	-	69.26	17.93	87.19
Total Other Comprehensive income	3.39	(128.93)	(80.49)	(206.03)
Other Comprehensive income attributable to				
Equity holders of the parent	3.39	(65.76)	(61.72)	(124.09)
Non-controlling interests	-	(63.17)	(18.77)	(81.94)

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

During the year ended March 31, 2018

	Foreign Currency Translation Reserve	FVTOCI reserve	Retained Earnings	Total
Net gain on FVTOCI debt securities	-	(1,196.03)	-	(1,196.03)
Re-measurement gains/ (losses) on defined benefit plans	-	-	18.31	18.31
Foreign exchange translation differences	20.52	-	-	20.52
Share of OCI of joint ventures accounted for using equity method	-	-	-	-
Income tax effect	-	413.95	12.97	426.92
Total Other Comprehensive income	20.52	(782.08)	31.28	(730.28)
Other Comprehensive income attributable to				
Equity holders of the parent	20.52	(398.86)	40.43	(337.91)
Non-controlling interests	-	(383.22)	(9.15)	(392.37)

31. Earnings per equity share

Basic EPS amounts are calculated by dividing the profit/ loss for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	March 31, 2019	March 31, 2018
Profit/(loss) after tax attributable to equity shareholders of the Company:		
From continuing operations	(5,296.28)	(6,637.85)
From discontinuing operations	(3,330.26)	2,399.47
Profit/(loss) after tax attributable to equity shareholders of the Company	(8,626.54)	(4,238.38)
	Number (in lakhs)	Number (in lakhs)
Weighted average number of equity shares in calculating basic EPS	2,684.28	2,679.86
Add : Equivalent weighted average number of employee stock options outstanding	11.62	15.49
Weighted average number of equity shares in calculating diluted EPS	2,695.90	2,695.35
Earning per share from continuing operations:		
Earnings Per Share - Basic (Face value of Rs. 2 per share)	(1.97)	(2.48)
Earnings Per Share - Diluted (Face value of Rs. 2 per share) *	(1.97)	(2.48)
Earnings per share from discontinuing operations:		
Earnings Per Share - Basic (Face value of Rs. 2 per share)	(1.24)	0.90

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Earnings Per Share - Diluted (Face value of Rs. 2 per share)	(1.24)	0.89
Earnings per share from continuing and discontinuing operations:		
Earnings Per Share - Basic (Face value of Rs. 2 per share)	(3.21)	(1.58)
Earnings Per Share - Diluted (Face value of Rs. 2 per share) *	(3.21)	(1.58)

* The conversion effect of potential dilutive equity shares were anti dilutive in nature, hence the effect of potential equity shares are ignored in calculating diluted earnings per share.

32. Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Discontinuing operations

The Board of Directors of the Company at its meeting held on February 26, 2019 has considered and approved a proposal relating to divestment of entire shareholding of the Company in its material subsidiary viz. Max Bupa Health Insurance Company Limited ("Max Bupa") (equivalent to 51% of Max Bupa's total issued and paid-up share capital) to True North Fund VI LLP (either directly or through any of its affiliates) ("Proposed Transaction"). The Proposed Transaction is an all-cash transaction and it values Max Bupa at an enterprise value of Rs 101, 300 lakhs. The sale of Max Bupa's shares by the Company to True North Fund VI LLP pursuant to the Proposed Transaction is subject to the terms of the definitive agreements to be executed among the parties and receipt of requisite approvals including the approval of the Insurance Regulatory and Development Authority of India (IRDAI). Accordingly, the Group has identified Max Bupa as discontinuing operations and disclosed net assets of Max Bupa as "Asset held for sale and Liabilities directly associated with assets held for sale" and profit/loss from the operations of Max Bupa as "Profit/Loss from discontinuing operations" in accordance with Ind AS 105. (Refer Note 33 for details)

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group. During the year Group has done the impairment assessment of non financial assets (including the property, plant and equipment in its subsidiaries and joint ventures) and has concluded that there is no impairment in value of non financial assets as appearing in the financial statements

Impairment assessment of recoverable amounts from healthcare service providers

Group's joint venture Max Healthcare Institute Limited engaged in business of providing healthcare services has a recoverable balance from various healthcare service providers in the form of long term security deposits, trade receivable (current and non current) and loans. The recovery of the long term receivables depends on the future cash flows and earning capacity of these healthcare service providers. Management has done an impairment assessment of the amounts recoverable from these healthcare service providers and have concluded that the amounts are fully recoverable and there is no impairment in the value of recoverable amounts as appearing in the financial statements

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

As at March 31, 2019, the Group has carry forward tax losses of Rs 31, 355.16 lakhs (with expiry of Rs 859.43 lakhs in financial year 2021-22, Rs 932.01 lakhs in financial year 2022-23, Rs 2, 274.01 lakhs in financial year 2023-24, Rs 15, 453.44 lakhs in financial year 2024-25, Rs 6, 421.09 lakhs in financial year 2025-26 and Rs 5, 415.18 lakhs in financial year 2026-27) (March 31, 2018 : Rs 25, 939.98 lakhs; April 01, 2017 : Rs 19, 518.89 lakhs) and unabsorbed depreciation of Rs 4, 196.75 lakhs (March 31, 2018 : Rs 4, 006.42 lakhs; April 01, 2017 : Rs 504.27 lakhs) on which the Group has recognized deferred tax assets only amounting to Rs 666.26 lakhs (March 31, 2018 : Rs.260.60 lakhs). No deferred tax asset has been created on the balance amount by the management due to lack of reasonable certainty of future taxable profits against which such deferred tax assets can be realized. Had the Group been able to recognize all unrecognized deferred tax assets, the net profit after tax would have been higher by Rs 9, 686.46 lakhs (March 31, 2018 : Rs 10, 103.25 lakhs).

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in Note 37.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 44 for further disclosures.

Finance Leases

Antara Purukul Senior Living Ltd., a subsidiary of the Company engaged in the business of construction and leasing of senior living residential units, has evaluated its lease agreements as per the requirements of IND AS 17 and has classified its lease agreements as Finance lease. The Company has provided an exit guarantee option to its lessee in few cases whereby the lessee has an option to exit the lease arrangement and is entitled to receive advance money paid. The Company considers that the exit guarantee option is non substantive depending on the market prices and exit trends and hence treats all its leases as Finance lease.

33. Discontinuing Operations

Background/ details of discontinuing operations

The Board of Directors of the Company at its meeting held on February 26, 2019 considered and approved a proposal relating to divestment of entire shareholding of the Company in its material subsidiary viz. Max Bupa Health Insurance Company Limited ("Max Bupa") comprising of 51% of Max Bupa's total issued and paid-up share capital to True North Fund VI LLP (either directly or through any of its affiliates) ("Proposed Transaction"), subject to receipt of requisite approvals including the approval of the Insurance Regulatory and Development Authority of India (IRDAI) and the shareholders of the Company. The Proposed Transaction is an all-cash transaction and it values Max Bupa at an enterprise value of Rs 101,300 lakhs in terms of the share purchase agreement dated March 13, 2019 executed between the Company, Max Bupa and True North Fund VI LLP. Shareholders of the Company have approved the proposed transaction vide a Postal Ballot process on May 23, 2019. Accordingly, the Group has identified Max Bupa as discontinuing operations and disclosed net assets of Max Bupa as "Asset held for sale and Liabilities directly associated with assets held for sale" and profit/loss from the operations of Max Bupa as "Profit/Loss from discontinuing operations" in accordance with Ind AS 105.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

The major classes of assets and liabilities classified as held for sale as at March 31, 2019 are, as follows:

	March 31, 2019
ASSETS	
Property, plant and equipment	1, 014.68
Capital work in progress	193.99
Other Intangible Assets	2, 001.51
Financial assets	
- Investments	79, 400.81
- Loans	392.70
- Other	7, 612.95
- Cash and cash equivalents	2, 985.81
Other assets	1, 856.26
Total Assets classified as held for sale	95, 458.71
LIABILITIES	
Financial liabilities	
- Trade payables	14, 188.26
- Other financial liabilities	16, 693.81
Provisions	37, 108.80
Other Liabilities	4, 207.45
Total Liabilities directly associated with assets classified as held for sale	72, 198.32
Net assets classified as held for sale	23, 260.39

The results of entities classified as held for sale, for the year are presented below:

Particulars	March 31, 2019	March 31, 2018
Revenue	79, 561.35	69, 220.87
Finance costs	235.16	280.82
Depreciation and amortisation expense	1, 638.78	1, 587.37
Other Expenses	85, 577.39	63, 570.70
Profit/(loss) before tax for the year from discontinuing operations	(7, 889.98)	3, 781.98
Tax expenses/(income)		
Current tax	89.82	423.83
Deferred tax	-	-
Income tax related to earlier years	-	-
Profit/(loss) after tax for the year from discontinuing operations	(7, 979.80)	3, 358.15
Net other comprehensive income for the year from discontinuing operations	(167.22)	(800.75)
Total comprehensive income for the year from discontinuing operations	(8, 147.03)	2, 557.40

The net cash flows incurred by disposal group are, as follows:

Particulars	March 31, 2019	March 31, 2018
Cash flow from operating activities	6, 232.85	1, 101.86
Cash flow from investing activities	(11, 596.46)	(17.54)
Cash flow from financing activities	5, 500.00	-
Net cash (outflow)/inflow	136.39	1, 084.32

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

34. Group information

A. Information about subsidiaries

The consolidated financial statements of the Group includes subsidiaries listed below:

S. no.	Name of the entity	Principal business activities	Principal place of business/ Country of incorporation	Ownership interest held by the Group (in %)			Ownership interest held by Non-controlling interests (in %)		
				As at March 31, 2019	As at March 31, 2018	As at April 1, 2017	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
1	Max Bupa Health Insurance Company Limited	Health insurance services	India	51.00	51.00	51.00	49.00	49.00	49.00
2	Antara Senior Living Limited	Marketing and operation of senior living communities	India	100.00	100.00	100.00	-	-	-
3	Antara Gurgaon Senior Living Limited (refer note (i) below)	Development, sale and leasing of senior living communities	India	100.00	100.00	100.00	-	-	-
4	Antara Purukul Senior Living Limited (refer note (i) below)	Construction and leasing of senior living communities	India	100.00	100.00	100.00	-	-	-
5	Pharmax Corporation Limited	Leasing of real estate	India	85.17	85.17	85.17	14.83	14.83	14.83
6	Max Skill First Limited	Learning and development and distribution of insurance and other financial products and investing in companies having similar objective	India	100.00	100.00	100.00	-	-	-
7	Max One Distribution and Services Limited (refer note (ii) below)	Undertake distribution of financial products	India	100.00	100.00	100.00	-	-	-
8	Max UK Limited	Provide business and administrative support services to officials of group companies	United Kingdom	100.00	100.00	100.00	-	-	-
9	Max Ateev Limited	-	India	100.00	100.00	100.00	-	-	-

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Notes:

- (i) The entities are held through Antara Senior Living Limited
- (ii) The entity is held through Max Skill First Limited

B. Joint arrangements in which Group is Joint venture

S. no.	Name of the entity	Principal business activities	Principal place of business/ Country of incorporation	Ownership interest held by the Group (in %)		
				As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
1	Max Healthcare Institute Limited	Providing healthcare services through primary care clinics, hospitals, medical centers and tertiary care facilities	India	49.70	49.70	45.95
2	Forum I Aviation Limited (refer note (i) below)	Aircraft chartering services	India	20.00	20.00	20.00

Note:

- (i) The entity is Joint venture of Pharmax Corporation Limited.

35. Material partly-owned subsidiaries

Financial information of subsidiaries that have material non-controlling interests (NCI) is provided below:

Proportion of equity interest held by non-controlling interests

S.no.	Name of the entity	Ownership interest held by NCI (in %)		
		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
1	Max Bupa Health Insurance Company Limited	49.00	49.00	49.00
2	Pharmax Corporation Limited	14.83	14.83	14.83

Information regarding non-controlling interests

	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Accumulated balances of material non-controlling interest:			
Max Bupa Health Insurance Company Limited	10,841.94	12,878.42	12,316.22
Pharmax Corporation Limited	423.61	249.13	288.88

	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit/(loss) allocated to material non-controlling interest:		
Max Bupa Health Insurance Company Limited	(4,649.54)	958.68
Pharmax Corporation Limited	174.48	(43.86)

Total comprehensive income allocated to material non-controlling interest:

Max Bupa Health Insurance Company Limited	(4,731.48)	566.31
Pharmax Corporation Limited	174.48	(43.86)

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

The summarised financial information of these subsidiaries are provided below. This information is based on amounts before inter-company eliminations.

Summarised statement of profit and loss

Description	Pharmax Corporation Limited	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue	1,799.32	311.69
Depreciation expense	(42.36)	(42.93)
Finance costs	(145.98)	(123.46)
Other expenses	(501.90)	(462.72)
Profit/ (loss) before tax	1,109.08	(317.42)
Share of loss/ profit of Joint venture	57.29	25.28
Profit/ (loss) before tax from continuing operations	1,166.37	(292.14)
Income tax	38.57	(4.96)
Profit/ (loss) after tax from continuing operations	1,204.94	(297.10)
Other comprehensive income (net of tax)	-	-
Share of Other comprehensive income of Joint venture	-	(1.27)
Total comprehensive income	1,204.94	(298.37)
Attributable to non-controlling interests	174.48	(43.86)

Summarised balance sheet

Description	Max Bupa Health Insurance Company Limited			Pharmax Corporation Limited		
	As at March 31, 2019 #	As at March 31, 2018	As at April 1, 2017	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Investments, cash and cash equivalents, other financial assets and other current assets (current)	-	34,285.83	27,891.59	3,026.81	1,027.16	914.78
Property, plant and equipment, intangible assets, other non-current financial assets and other non-current assets including deferred tax assets (non-current)	-	47,980.89	45,967.03	1,707.23	2,444.48	2,573.49
Borrowings, trade payable, other current financial liabilities and other liabilities including provisions (current)	-	(1,985.63)	(1,606.36)	(101.23)	(1,549.33)	(1,527.66)
Borrowings, other non-current financial liabilities and other liabilities including provisions and deferred tax liabilities (non-current)	-	(53,998.59)	(47,117.10)	(1,775.76)	(242.06)	(12.24)
Total equity	-	26,282.50	25,135.16	2,857.05	1,680.25	1,948.37
Attributable to :						
Equity holders of parent	-	13,404.07	12,818.93	2,433.44	1,431.12	1,659.49
Non-controlling interests	-	12,878.43	12,316.23	423.61	249.13	288.88
	-	26,282.50	25,135.16	2,857.05	1,680.25	1,948.37

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Summarised cash flow information

Description	Pharmax Corporation Limited	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Cash flow from/(used in) operating activities	(2, 813.41)	(150.46)
Cash flow from/(used in) investing activities	2, 806.08	142.92
Cash flow from/(used in) financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	(7.33)	(7.54)

The Board of Directors of the Company at its meeting held on February 26, 2019 considered and approved a proposal relating to divestment of entire shareholding of the Company in its material subsidiary viz. Max Bupa Health Insurance Company Limited ("Max Bupa") comprising of 51% of Max Bupa's total issued and paid-up share capital to True North Fund VI LLP (either directly or through any of its affiliates) ("Proposed Transaction"), subject to receipt of requisite approvals including the approval of the Insurance Regulatory and Development Authority of India (IRDAI) and the shareholders of the Company. The Proposed Transaction is an all-cash transaction and it values Max Bupa at an enterprise value of Rs 101, 300 lakhs in terms of the share purchase agreement dated March 13, 2019 executed between the Company, Max Bupa and True North Fund VI LLP. Shareholders of the Company have approved the proposed transaction vide a Postal Ballot process on May 23, 2019.

Accordingly, the Group has identified Max Bupa as discontinuing operations and disclosed net assets of Max Bupa as "Asset held for sale and Liabilities directly associated with assets held for sale" and profit/loss from the operations of Max Bupa as "Profit/Loss from discontinuing operations" in accordance with Ind AS 105. (Refer Note 34 for detailed disclosure relating to Max Bupa)"

36. Interest in joint-ventures

The Group's interest in the joint ventures disclosed below is accounted for using the equity method in the consolidated. Summarised financial information of the joint venture, based on its Ind AS financial statements and reconciliation with the carrying amount of the investment in consolidated financial statements.

Summarised balance sheet

Description	Max Healthcare Institute Limited			Forum-I Aviation Limited		
	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Investments, cash and cash equivalents, other financial assets and other current assets (current)	44, 729.62	43, 219.00	34, 942.13	4, 884.04	5, 274.34	939.72
Property, plant and equipment, intangible assets, other non-current financial assets and other non-current assets including deferred tax assets (non-current)	291, 832.22	288, 923.53	281, 065.60	1, 859.48	1, 175.92	5, 501.67
Borrowings, trade payable, other current financial liabilities and other liabilities including provisions (current)	(191, 854.46)	(180, 933.64)	(166, 482.35)	(168.86)	(104.27)	(125.58)
Borrowings, other non-current financial liabilities and other liabilities including provisions and deferred tax liabilities(non- current)	(48, 389.72)	(47, 809.00)	(38, 109.21)	(531.07)	(588.91)	(678.77)

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Description	Max Healthcare Institute Limited			Forum-I Aviation Limited		
	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Net assets	96,317.66	103,399.89	111,416.17	6,043.59	5,757.08	5,637.04
Proportion of Group's ownership (%)	49.70	49.70	45.95	20.00	20.00	20.00
Share of Group in net assets	47,869.88	51,389.75	51,192.57	1,208.72	1,151.42	1,127.41
Goodwill/ Capital reserve on initial acquisition of stake in joint venture	29,504.36	29,504.36	10,864.18	(152.47)	(152.47)	(152.47)
Carrying amount of the investment	77,374.24	80,894.11	62,056.75	1,056.25	998.95	974.94

Summarised statement of profit and loss

Description	Max Healthcare Institute Limited		Forum-I Aviation Limited	
	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue	174,807.00	178,318.30	2,247.10	1,975.19
Purchase of pharmacy, drugs, consumables and implants	36,618.00	42,590.00		
Employee benefits expense	44,054.96	42,291.00	553.44	486.75
Finance costs	10,126.96	9,937.30	22.79	31.95
Depreciation and amortization expense	10,264.52	9,442.25	267.46	267.66
Other expenses	72,911.07	76,707.00	1,142.21	1,188.94
Profit/ (loss) before tax from continuing operations	831.49	(2,649.25)	261.20	(0.11)
Tax expenses	850.50	223.50	(25.23)	(126.49)
Profit/ (loss) after tax in continuing operations	(19.01)	(2,872.75)	286.43	126.38
Profit/ (loss) after tax in discontinuing operations	-	1,129.00	-	-
Profit/(loss) for the year	(19.01)	(1,743.75)	286.43	126.38
Other comprehensive income (net of tax)	(34.00)	5.00	0.02	(6.32)
Total comprehensive income/(loss) for the year	(53.01)	(1,738.75)	286.45	120.06
Group's share of profit/(loss) for the year (including continuing and discontinuing operations)*	(156.63)	(607.00)	57.29	25.28

* Computed on the profits attributable to the equity holders of the joint venture

a) Capital commitments

	March 31, 2019	March 31, 2018	April 01, 2017
Estimated value of contracts in capital account remaining to be executed	4,049.56	6,350.17	8,377.46
Less: Capital advances	1,730.55	1,946.25	1,377.96
Net capital commitment for acquisition of capital assets	2,319.01	4,403.92	6,999.50

b) Other commitments

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	March 31, 2019	March 31, 2018	April 01, 2017
Export obligation as on date to be fulfilled, in the succeeding eight years from the date of license issued by EPCG for availing of concessional custom duty on imports under EPCG scheme to the extent of six times the duty saved.			
- Duty saved	-	165.00	30.33
- Export obligation	-	141.65	181.95
	-	306.65	212.28

c) Lease commitments

(i) Financing leases- As lessee

Max Healthcare Institute Limited (MHIL), a joint venture of the Company has share in finance leases and hire purchase contracts for various items of medical equipments entered into by the joint venture. Upon the expiry of lease term the absolute and unencumbered ownership of the equipment shall vest with MHIL at the guaranteed residual value. 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:

	March 31, 2019		March 31, 2018		April 01, 2017	
	Minimum payments	Present value of MLP	Minimum payments	Present value of MLP	Minimum payments	Present value of MLP
Within one year	62.62	53.68	62.62	46.41	56.71	17.81
After one year but not more than five years	75.05	71.07	137.67	115.33	185.17	70.12
	137.67	124.75	200.29	161.74	241.88	87.93

(ii) Operating leases- As lessee

Lease rentals recognized in the statement of profit and loss for the year is Rs. 1, 496.00 lakhs (March 31, 2018: Rs. 2,030.00 lakhs)

Max Healthcare Institute Limited (MHIL), a joint venture of the Company has entered into operating leases for its office, hospitals, nurse hostel and for employees' residence, that are renewable on a periodic basis. The average life of lease is from 3 to 30 years.

Future minimum rentals payable under non-cancellable operating leases are as follows:

Particulars	March 31, 2019	March 31, 2018	April 01, 2017
Within one year	1, 631.15	1, 185.35	1, 035.80
After one year but not more than five years	5, 939.15	3, 485.46	3, 567.44
More than five years	8, 757.14	7, 628.95	7, 723.72

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

d) Contingent liabilities

Particulars	March 31, 2019	March 31, 2018	April 01, 2017
(i) Share of guarantee given by the jointly controlled entity (Max Healthcare Institute Limited) (refer note (a) below)"	11,373.35	11,939.43	36,940.60
(ii) Claims against the Company not acknowledged as debts (refer note (b) below)			
Service tax demands	-	-	677.60
Sales tax	19.38	185.88	113.49
Income tax	12.43	12.43	-
Legal claims	5,770.17	6,445.59	4,115.95
(iii) Export obligation as on date to be fulfilled, in the succeeding eight years from the date of license issued by EPCG for availing of concessional custom duty on imports under 5% EPCG scheme to the extent of eight times the duty saved. "	559.13	340.45	543.55

Notes:

- (a) Guarantees given by Max Healthcare Institute Limited, a joint venture of the Company on behalf of others is not considered as prejudicial to its interest as it provides opportunity for growth and increase in operations of the Group.
- (b) Claims against Max Healthcare Institute Limited, a joint venture of the Company not acknowledged as debts represent the civil cases that are pending with various Consumer Disputes Redressal Commissions / Courts. Based on expert opinion obtained, the management believes that the joint venture has good chance of success in these cases. In addition to this, as a measure of good corporate governance the joint venture has taken Professional Indemnity Insurance Policy to secure it from any financial implication in case of claims settled against the joint venture.

37. Employee benefit plans

Defined Benefit Plans

Gratuity:

The Group has a defined benefit gratuity plan for its employees. Under the plan, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The scheme is unfunded except one of the subsidiary, Max Bupa Health Insurance Limited (Max Bupa). The scheme of Max Bupa is funded with an insurance company in the form of qualifying insurance policy."

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

Notes to consolidated financial statements for the year ended March 31, 2019

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The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the defined benefit plans:

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

	Gratuity plan		
	March 31, 2019	March 31, 2018	April 1, 2017
Defined benefit obligation at the beginning of the year	1,065.51	957.01	957.01
Current service cost	89.88	91.31	-
Interest cost	49.15	43.07	-
Benefits paid	(65.67)	(78.79)	-
Actuarial (gain)/ loss on obligations	22.67	(46.86)	-
Expense relating to discontinuing operations	122.43	99.77	-
Extinguishment due to discontinuing operations	(589.18)	-	-
Defined benefit obligation at the end of the year	694.79	1,065.51	957.01

Changes in the fair value of plan assets are as follows:

	Gratuity plan		
	March 31, 2019	March 31, 2018	April 1, 2017
Fair value of plan assets at the beginning of the year	356.88	276.71	276.71
Accretion relating to discontinuing operations	84.71	80.17	-
Extinguishment due to discontinuing operations	(441.59)	-	-
Fair value of plan assets at the end of the year	-	356.88	276.71

Reconciliation of fair value of plan assets and defined benefit obligation:

	Gratuity plan		
	March 31, 2019	March 31, 2018	April 1, 2017
Fair value of plan assets	-	356.88	276.71
Defined benefit obligation	694.79	1,065.51	957.01
Amount recognised in the Balance Sheet	694.79	708.63	680.30

Amount recognised in Statement of Profit and Loss:

	Gratuity plan	
	March 31, 2019	March 31, 2018
Current service cost	89.88	91.31
Net interest expense	49.15	43.07
Amount recognised in Statement of Profit and Loss	139.03	134.38

Amount recognised in Other Comprehensive Income:

	Gratuity plan	
	March 31, 2019	March 31, 2018
Actuarial changes arising from changes in financial assumptions	22.67	(46.86)
Amount recognised in Other Comprehensive Income	22.67	(46.86)

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

The principal assumptions used in determining gratuity liability for the Company's plans are shown below:

	Gratuity plan		
	March 31, 2019	March 31, 2018	April 1, 2017
Discount rate	7.00% - 7.66%	6.95% - 7.80%	6.70% - 7.30%
Future salary increases	6.00% - 10.00%	7.00% - 10.00%	7.00% - 10.00%
Retirement Age	58 to 71 years	58 to 71 years	58 - 71 years

A quantitative sensitivity analysis for significant assumption as at March 31, 2019 is as shown below:

	Gratuity plan	
	March 31, 2019	March 31, 2018
Assumptions:		
Impact on defined benefit obligation of change in Discount rate		
(a) Impact due to increase of 1%	(47.21)	(45.68)
(b) Impact due to decrease of 1%	41.20	50.57
Impact on defined benefit obligation of change in Future salary growth rate		
(a) Impact due to increase of 1%	39.10	48.56
(b) Impact due to decrease of 1%	(47.01)	(44.56)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

	Gratuity plan	
	March 31, 2019	March 31, 2018
Within the next 12 months (next annual reporting period)	87.41	160.34
Between 2 and 5 years	357.87	524.64
Between 5 and 10 years	717.78	621.82
Total expected payments	1,163.06	1,306.80

The average duration of the defined benefit plan obligation for gratuity at the end of the reporting period is 3.12-11 years (31 March 2018: 3.14-12 years).

Provident Fund:

The Group is contributing in a provident fund trust "Max Financial Services Limited Employees Provident Trust Fund" which is a common fund for Max Group companies. The provident fund trust requires that interest shortfall shall be met by the employer, accordingly it has been considered as a defined benefit plan.

The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, and shortfall, if any, shall be made good by the Group. The actuary has accordingly provided a valuation for "Max Financial Services Limited Employees Provident Trust Fund" which is a common fund for the Group.

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(Amount in INR lakhs, unless otherwise stated)

The details of fund and plan asset position as at March 31, 2019 as per the actuarial valuation of active members are as follows:

	March 31, 2019	March 31, 2018
Plan assets at year end at fair value	2,854.81	2,454.68
Present value of defined benefit obligation at year end	2,794.85	2,420.80
Surplus as per actuarial certificate	59.96	33.88
Shortfall recognized in balance sheet	-	-
Active members as at year end (Nos)	518	397

Assumptions used in determining the present value obligation of the interest rate guarantee under the deterministic approach:

	March 31, 2019	March 31, 2018
Discount rate	6.76%	7.18%
Yield on existing funds	8.65%	8.94%
Expected guaranteed interest rate	8.65%	8.55%

Contribution to Defined benefit Plan, recognized as expense for the year is as under:

	March 31, 2019	March 31, 2018
Employer's Contribution towards Provident Fund (PF)	276.53	256.76
	276.53	256.76

38. Capital and other commitments

Capital commitments

	March 31, 2019	March 31, 2018	April 01, 2017
Estimated value of contracts in capital account remaining to be executed	10,141.67	10,990.63	9,387.30
Less: Capital advances	(7,343.84)	(7,374.82)	(8,810.63)
	-	-	-
Net capital commitment for acquisition of capital assets	2,797.83	3,615.81	576.67

39. Leases

39.1 Finance leases- Group as lessor

Antara Purukul Senior Living Limited, a subsidiary of the Company is receiving full lease consideration in advance before possession/registration of lease deed. In such case the entire lease consideration towards the apartment to the extent it is related to lease rentals, is recognized as revenue in the Statement of Profit & Loss and the costs of the leased unit is transferred from inventory to Statement of Profit & Loss. Accordingly the reconciliation between gross investment in the lease and the present value of minimum lease payments receivable and accounting of unearned finance component is not required.

39.2 Operating leases - Group as lessee

The Group has entered into operating leases for its office spaces under operating lease agreements. Lease rentals recognized in the statement of profit and loss for the year is Rs. 331.52 lakhs (March 31, 2018: Rs. 205.03 Lakhs). The Group has not entered into sublease agreements in respect of these leases and there are no restrictions placed upon the Group by entering into these leases. These leases can be renewed for terms of 1-3 years.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Future minimum rentals payable under non-cancellable operating leases are as follows:

	March 31, 2019	March 31, 2018	April 01, 2017
Within one year	178.57	155.97	-
After one year but not more than five years	410.60	322.94	-
More than five years	257.79	109.98	-

40. Contingent liabilities

	March 31, 2019	March 31, 2018	April 01, 2017
(i) Claims against the Group not acknowledged as debts			
Compensation raised by policyholders against rejected claims	-	1,634.46	791.12
Service tax demands (refer note (a) below)	-	-	73.28
Income tax (refer note (a) below)	-	853.91	5.73
Legal claims (refer note (b) below)	633.03	-	-

(a) The Group is contesting the demands of income tax & service tax and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Group's financial position and results of operations.

(b) A supplier of Antara Purukul Senior Living Limited (APSL), a subsidiary of the Group has filed a claim of Rs.633.03 lakhs before the Micro Small Entrepreneurs Facilitation Council (MSEF). APSL has disputed the claim as the said amount is not payable on account of the inferior quality of the products supplied by the vendor. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Group's financial position and results of operations.

(ii) There are numerous interpretative issues relating to the Supreme Court (SC) judgement dated 28th February, 2019 on Provident Fund (PF) on the inclusion of allowances for the purposes of PF contribution as well as its applicability of effective date. The Group is evaluating and seeking legal inputs regarding various interpretative issues and its impact.

41. Share based payments

a) The Company had instituted the 2016 Plan, which was approved by the Board of Directors in March 29, 2016 and by the shareholders in September 27, 2016. The 2016 Plan provides for grant of stock options aggregating not more than 5% of number of issued equity shares of the Company to eligible employees of the Company. The 2016 Plan is administered by the Nomination and Remuneration Committee appointed by the Board of Directors. Under the plan, the employees receive shares of the Company upon completion of vesting conditions such as rendering of services across vesting period. The Option Price will be determined by the Nomination and Remuneration Committee, from time to time, in accordance with the provisions of applicable law, provided that the Option Price shall not be below the face value of the equity shares of the Company.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	For the year ended March 31, 2019		For the year ended March 31, 2018	
	Number of options	Weighted Average exercise price (INR)	Number of options	Weighted Average exercise price (INR)
Option outstanding at the beginning of the year	1, 152, 043	2	2, 242, 904	2
Granted during the year	61, 200	2	22, 155	2
Exercised during the year	(232, 573)	2	(1, 113, 016)	2
Forfeited during the year	-	-	-	-
Closing balance	980, 670	-	1, 152, 043	-
Exercisable at the end of the year	781, 400	-	-	-

The weighted average fair value of the options exercised during the year was INR 72.17 (March 31, 2018: INR 140.84).

The weighted average remaining contractual life for the share options outstanding as at year end was 0.92 years (March 31, 2018: 1.14 years).

The range of exercise prices for options outstanding at the end of the year was INR 2.00 to 78.80 (March 31, 2018: INR 2.00 to 78.80).

b) Expense arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Employee option plan	129.09	193.29

c) Stock compensation expense under the Fair Value method has been determined based on fair value of the stock options. The fair value of stock options was determined using the Black Scholes option pricing model with the following assumptions.

	For the year ended March 31, 2019	For the year ended March 31, 2018
Date of option granted	01/04/2018	01/04/2017
Stock Price Now (in INR)	83.70	150.95
Exercise Price (X) (in INR)	2.00	2.00
Expected Volatility (Standard Dev - Annual)	36%	32%
Life of the options granted (Vesting and exercise period) in years	3.00-4.00	3.00-5.00
Expected Dividend	-	-
Average Risk- Free Interest Rate	7.21%-7.39%	6.68%-6.88%
Weighted average fair value of options granted	82.09-82.21	149.31-149.53

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

42. Related party transactions

A. Name of related party and relationship:

Relationship with the related party	Name of related party
Joint Venture	1 Max Healthcare Institute Limited
	2 Forum I Aviation Limited
Key Management Personnel (KMP)	1 Mr. Ashwani Windlass (Non-executive Director)
	2 Mr. Ashok Brijmohan Kacker (Independent Director)
	3 Mr. Mohit Talwar (Managing Director)
	4 Mrs. Tara Singh Vachani (Director)
	5 Mr. Rahul Khosla (Non-executive Director)
	6 Mr. Dipankar Gupta (Independent Director) (Ceased to be director w.e.f. April 10, 2018)
	7 Mr. D.K. Mittal (Independent Director)
	8 Mr. K. Narasimha Murthy (Independent Director) (Appointed w.e.f. 24/12/2018)
	9 Mrs. Sharmila Tagore (Independent Director) (Appointed w.e.f. 26/02/2019)
	10 Mr. V. Krishnan (Company Secretary)
	11 Mr. Jatin Khanna (Chief Financial Officer)
Enterprises owned or significantly influenced by key management personnel or their relatives	1 Max India Foundation
	2 Max Financial Services Limited
Employee benefit trust	1 Max Financial Services Ltd. Employees' Provident Fund Trust
Person or entities having control or significant influence	1 Mr. Analjit Singh
	2 Mrs. Neelu Analjit Singh
	3 Ms. Piya Singh
	4 Mr. Veer Singh
	5 Mrs. Tara Singh Vachani
	6 Liquid Investment and Trading Private Limited
	7 Max Ventures Investment Holdings Private Limited
Enterprises owned or significantly influenced by person or entities having control or significant influence	1 Max Life Insurance Company Limited
	2 Max Ventures and Industries Limited
	3 New Delhi House Services limited
	4 Wise Zone Builders Private Limited
	5 Max Estates Limited

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

- B. The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

Nature of transaction	Name of related party	For the year ended March 31, 2019	For the year ended March 31, 2018
Income from shared services	Max Financial Services Limited	2,700.00	2,344.00
Reimbursement of expenses (received from)	Max Financial Services Limited	218.91	-
	New Delhi House Services limited	21.54	20.16
Professional charges	Max Financial Services Limited	6.25	-
Maintenance charges	New Delhi House Services limited	70.58	79.37
Insurance expense	Max Life Insurance Company Limited	8.05	9.28
Management service charges	Max Financial Services Limited	805.00	745.95
CSR activities	Max India Foundation	25.00	23.44
Rent expense	Max Ventures and Industries Limited	46.24	-
Company's contribution to Provident Fund Trust	Max Financial Services Ltd. Employees' Provident Fund Trust	77.00	72.32
Sale of Property, plant and equipment	Max Estates Limited	2,700.00	-
Director sitting fee	Mr. Ashwani Windlass	19.00	18.00
	Mr. Ashok Brijmohan Kacker	33.00	30.00
	Mrs. Tara Singh Vachani	7.00	4.00
	Mr. Rahul Khosla	16.00	17.00
	Mr. Dipankar Gupta	-	17.00
	Mr. D.K. Mittal	27.00	14.00
	Mr. K. Narasimha Murthy	2.00	-
	Mrs. Sharmila Tagore	1.00	-

- C. The following table provides the year end balances with related parties for the relevant financial year :

Nature of transaction	Name of related party	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Capital advance	Wise Zone Builders Private Limited	7,320.00	7,320.00	7,320.00
Amount receivable	Max Financial Services Limited	625.96	666.77	-
	Max Estates Limited	2,473.00	-	-
Amount payable	Max Ventures and Industries Limited	(8.12)	(2.08)	-

D. Terms and conditions of transactions with related parties

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. The Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

E. Compensation of key management personnel of the Company

	For the year ended March 31, 2019	For the year ended March 31, 2018
Short-term employee benefits		
Mr. Mohit Talwar	201.82	319.94
Mr. Jatin Khanna	132.71	124.78
Mr. V Krishnan	160.36	136.51

* The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Group as a whole.

F. Directors' interests in the ESOP plan

Share options held by executive members of the Board of Directors under the ESOP Plan to purchase Equity shares have the following expiry dates and exercise prices:

Grant date	Expiry date	Exercise price	Number outstanding		
			As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
01-Apr-13	01-Apr-17	2.00	-	-	9,500
12-Dec-14	31-Mar-20	78.80	221,500	221,500	443,000
01-Apr-14	01-Apr-17	2.00	-	-	8,750
01-Apr-14	01-Apr-18	2.00	-	8,750	8,750
27-Mar-15	27-Mar-17	2.00	-	-	5,650
27-Mar-15	27-Mar-18	2.00	-	5,650	5,650
27-Mar-15	27-Mar-19	2.00	5,650	5,650	5,650
09-Nov-16	10-Nov-17	2.00	-	-	6,348
09-Nov-16	01-Apr-18	2.00	-	6,348	6,348
09-Nov-16	01-Apr-19	2.00	6,349	6,349	6,349
09-Nov-16	01-Apr-20	2.00	6,349	6,349	6,349
01-Apr-17	01-Apr-18	2.00	-	7,533	-
01-Apr-17	01-Apr-19	2.00	7,311	7,311	-
01-Apr-17	31-Mar-20	2.00	7,311	7,311	-
01-Apr-18	01-Apr-19	2.00	30,600	-	-
01-Apr-18	31-Mar-20	2.00	30,600	-	-

43. Segment information

43.1 The segment reporting of the Group has been prepared in accordance with Ind AS-108, "Operating Segment" (specified under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rule 2015 (as amended from time to time) and other relevant provision of the Act). For management purposes, the Group is organised into business units based on its products and services and has five reportable segments as follows:

a) Operating Segments:

- (i) Business Investments – This segment is represented by treasury investments.
- (ii) Senior Living – One of the Company's subsidiaries is engaged in the business of senior living.
- (iii) Learning and Development - This segment relates to learning and development activity carried out by its subsidiaries.
- (iv) Health Insurance - This segment relates to the health insurance business carried out pan India, by one of the Company's subsidiary.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

(v) Others – The leasing activities undertaken by one of the Company's subsidiary are classified under this segment.

b) Identification of Segments:

The Board of Directors monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of the nature of product / services and have been identified as per the quantitative criteria specified in the Ind AS.

c) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocated".

d) Segment assets and segment liabilities represent assets and liabilities in respective segments. Loans, tax related assets, borrowings and other assets and liabilities that can not be allocated to a segment on reasonable basis have been disclosed as "Unallocated".

43.2 Segment information

	Senior Living		Business Investments		Learning and Development		Health Insurance		Others		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2018	
a. Segment Revenue from continuing operations												
Revenue from external customers	6,665.52	15,511.22	4,109.04	4,344.95	4,716.12	3,964.09	-	-	85.24	181.26	15,575.92	24,001.52
Inter segment revenue	(214.73)	(700.81)	1,485.86	2,030.81	552.91	501.66	-	-	136.97	170.79	1,961.01	2,002.45
Total Segment Revenue	6,450.79	14,810.41	5,594.90	6,375.76	5,269.03	4,465.75	-	-	222.21	352.05	17,536.93	26,003.97
Less: Inter segment revenue	214.73	700.81	(1,485.86)	(2,030.81)	(552.91)	(501.66)	-	-	(136.97)	(170.79)	(1,961.01)	(2,002.45)
Revenue from continuing operations	6,665.52	15,511.22	4,109.04	4,344.95	4,716.12	3,964.09	-	-	85.24	181.26	15,575.92	24,001.52
b. Segments Results before share of loss of joint venture and tax from continuing operations	(1,780.08)	(1,477.08)	(1,720.24)	(937.20)	(119.66)	(169.39)	-	-	1,219.59	(234.67)	(2,400.39)	(2,818.34)
Add: Interest income	-	-	-	-	-	-	-	-	-	-	30.33	46.69
Less: Interest expense	-	-	-	-	-	-	-	-	-	-	2,398.42	2,603.90
Profit/ (loss) before tax before share of loss of joint venture and tax from continuing operations	(1,780.08)	(1,477.08)	(1,720.24)	(937.20)	(119.66)	(169.39)	-	-	1,219.59	(234.67)	(4,768.48)	(5,375.55)
Add: Share of loss of joint ventures											(99.35)	(581.72)
Less: Provision for taxation (includes provision for Deferred Tax)	-	-	-	-	-	-	-	-	-	-	253.96	724.44

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(Amount in INR lakhs, unless otherwise stated)

	Senior Living		Business Investments		Learning and Development		Health Insurance		Others			Total
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Profit/(loss) after tax before share of loss of joint venture and tax from continuing operations	(1,780.08)	(1,477.08)	(1,720.24)	(937.20)	(119.66)	(169.39)	-	-	1,219.59	(234.67)	(5,121.79)	(6,681.71)
c. Segment assets	36,501.22	40,698.56	13,181.16	22,122.03	1,755.61	1,832.19	-	82,266.72	4,494.62	3,380.38	55,932.61	150,299.88
Add: Goodwill	-	-	-	-	-	-	-	-	-	-	2,465.67	2,465.67
Add: Unallocated assets	-	-	-	-	-	-	-	-	-	-	175,107.17	82,173.46
Total Assets	36,501.22	40,698.56	13,181.16	22,122.03	1,755.61	1,832.19	-	82,266.72	4,494.62	3,380.38	233,505.45	234,939.01
d. Segment Liabilities	10,135.63	12,756.18	1,563.60	995.82	1,569.45	1,613.36	-	55,729.80	375.71	371.81	13,644.39	71,466.97
Add: Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	91,574.89	21,387.34
Total Liabilities	10,135.63	12,756.18	1,563.60	995.82	1,569.45	1,613.36	-	55,729.80	375.71	371.81	105,219.28	92,854.31

44. Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

A. Quantitative disclosures fair value measurement hierarchy as at March 31, 2019:

	Carrying value	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at Fair value through profit or loss:				
Current				
Other than approved investments/mutual funds (Refer Note 6b)	3,666.95	3,666.95	-	-
Financial assets measured at amortised cost:				
Non-Current				
Loan (Refer Note 7)	218.76	-	218.76	-
Other financial assets (Refer Note 10)	23.97	-	23.97	-
Current				
Loan (Refer Note 7)	50.20	-	50.20	-
Cash and cash equivalents (Refer Note 9)	2,630.00	-	2,630.00	-

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Carrying value	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
Trade receivables (Refer Note 8)	832.12	-	832.12	-
Other financial assets (Refer Note 10)	2, 473.67	-	2, 473.67	-
Financial liabilities measured at amortised cost:				
Non-Current				
Borrowings (Refer Note 17a)	18, 579.59	-	18, 579.59	-
Other financial liabilities (Refer Note 19)	101.23	-	101.23	-
Current				
Borrowings (Refer Note 17b)	238.56	-	238.56	-
Trade payables (Refer Note 18)	2, 133.00	-	2, 133.00	-
Other financial liabilities (Refer Note 19)	3, 478.57	-	3, 478.57	-

There have been no transfers between Level 1 and Level 2 during the period.

B. Quantitative disclosures fair value measurement hierarchy as at March 31, 2018:

	Carrying value	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
Financial assets measured at Fair value through profit or loss:				
Current				
Other than approved investments/mutual funds (Refer Note 6b)	16, 835.59	16, 835.59	-	-
Financial assets measured at Fair value through other comprehensive income (OCI):				
Non-Current				
Other investments (Refer Note 6b)	43, 663.85	43, 663.85	-	-
Current				
Other investments (Refer Note 6b)	20, 708.24	20, 708.24	-	-
Financial assets measured at amortised cost:				
Non-Current				
Loan (Refer Note 7)	555.02	-	555.02	-
Other financial assets (Refer Note 10)	211.73	-	211.73	-
Current				
Loan (Refer Note 7)	20.78	-	20.78	-
Cash and cash equivalents (Refer Note 9)	1, 599.22	-	1, 599.22	-
Trade receivables (Refer Note 8)	4, 208.15	-	4, 208.15	-
Other financial assets (Refer Note 10)	5, 854.31	-	5, 854.31	-
Financial liabilities measured at amortised cost:				
Non-Current				

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Carrying value	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
Borrowings (Refer Note 17a)	19,967.66	-	19,967.66	-
Trade payables (Refer Note 18)	1,703.39	-	1,703.39	-
Other financial liabilities (Refer Note 19)	251.30	-	251.30	-
Current				
Borrowings (Refer Note 17b)	1,003.29	-	1,003.29	-
Trade payables (Refer Note 18)	12,403.50	-	12,403.50	-
Other financial liabilities (Refer Note 19)	14,385.86	-	14,385.86	-

There have been no transfers between Level 1 and Level 2 during the period.

C. Quantitative disclosures fair value measurement hierarchy as at April 01, 2017:

	Carrying value	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
Financial assets measured at Fair value through profit or loss:				
Current				
Other than approved investments/mutual funds (Refer Note 6b)	39,695.58	39,695.58	-	-
Financial assets measured at Fair value through other comprehensive income (OCI):				
Non-Current				
Other investments (Refer Note 6b)	42,591.56	42,591.56	-	-
Current				
Other investments (Refer Note 6b)	15,655.36	15,655.36	-	-
Financial assets measured at amortised cost:				
Non-Current				
Loan (Refer Note 7)	448.39	-	448.39	-
Other financial assets (Refer Note 10)	20.79	-	20.79	-
Current				
Loan (Refer Note 7)	19.62	-	19.62	-
Cash and cash equivalents (Refer Note 9)	1,287.00	-	1,287.00	-
Trade receivables (Refer Note 8)	3,990.13	-	3,990.13	-
Other financial assets (Refer Note 10)	3,009.96	-	3,009.96	-
Financial liabilities measured at amortised cost:				
Non-Current				
Borrowings (Refer Note 17a)	16,430.66	-	16,430.66	-
Trade payables (Refer Note 18)	1,339.65	-	1,339.65	-
Other financial liabilities (Refer Note 19)	583.26	-	583.26	-
Current				
Borrowings (Refer Note 17b)	4.10	-	4.10	-
Trade payables (Refer Note 18)	11,313.02	-	11,313.02	-
Other financial liabilities (Refer Note 19)	18,084.52	-	18,084.52	-

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

Notes:

- 1 The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.
- 2 The following methods and assumptions were used to estimate the fair values:
 - a. The fair values for investments in quoted securities like mutual funds and debentures are based on price quotations available in the market at each reporting date.
 - b. The fair values for investments in unquoted equity shares are estimated by valuer following valuation techniques.
 - c. The fair values of the financial assets and liabilities are determined by using DCF method using discount rate that reflects the issuer's incremental borrowing rate as at the end of the reporting period.

45. Financial risk management objectives and policies

The Group's principal financial liabilities are trade and other payables, security deposits received and finance guarantee obligation. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include investments (mutual funds, equity), trade and other receivables, security deposits, ICD's, cash and short-term deposits that derive directly from its operations.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include investment in mutual funds.

The sensitivity analysis in the following sections relate to the position as at March 31, 2019 and March 31, 2018.

The following assumptions have been made in calculating the sensitivity analysis:-

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2019 and March 31, 2018.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to the interest rate risk.

For the year ended	Increase/Decrease in Interest rates	Impact on Profits
March 31, 2019	0.5%	(77.35)
March 31, 2018	0.5%	85.80

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency) and investments in foreign currency.

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(Amount in INR lakhs, unless otherwise stated)

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in GBP and USD exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Group's exposure to foreign currency changes for all other currencies is not material

The Group exposure to foreign currency risk at the end of reporting period expressed in INR are as follows:

	March 31, 2019			March 31, 2018			April 01, 2017		
	GBP	USD	INR	GBP	USD	INR	GBP	USD	INR
Financial Liabilities									
Trade payables	-	-	-	4.93	2.00	580.07	2.47	-	198.52
Total	-	-	-	4.93	2.00	580.07	2.47	-	198.52
Net exposure to foreign currency liabilities	-	-	-	(4.93)	(2.00)	(580.07)	(2.47)	-	(198.52)

	Increase/decrease in basis points	Effect on profit before tax	
		March 31, 2019	March 31, 2018
GBP Sensitivity			
INR/ GBP	+50	-	(3.38)
INR/ GBP	-50	-	3.38
USD Sensitivity			
INR/ USD	+50	-	(0.65)
INR/ USD	-50	-	0.65

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables), including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The Group has developed internal credit rating system/ credit worthiness assessment mechanism as well. As per the management procedure, each party is internally rated on the basis of their external ratings (wherever available), respective industry information / trends available, financial position of party and past transactions with the party. These parties are continuously evaluated after assigning internal grades.

Trade receivables

Customer credit risk is managed subject to the Group's established policy, procedures and control relating to customer credit risk management. Outstanding trade receivables are reviewed and assessed for default taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowance and impairment is recognised where considered appropriate by the responsible management.

Outstanding balances of trade receivable comprises primarily of third party receivables. At March 31, 2019, the Group had customers that owed the Group more than INR 2, 630.00 lakhs. The Group's historical experience of collective receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivable are considered to be a single class of financial assets.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 8.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

March 31, 2019	0-90 days	91 - 180 days	181 - 365 days	1 - 3 years	> 3 years	Total
	Past dues	Past dues	Past dues	Past dues	Past dues	
Gross carrying Amount	1,498.14	316.38	250.83	564.65	-	2,630.00
Expected credit loss (Loss allowance provision)	-	-	-	-	-	-
Net carrying amount of trade receivables	1,498.14	316.38	250.83	564.65	-	2,630.00

March 31, 2018	0-90 days	91 - 180 days	181 - 365 days	1 - 3 years	> 3 years	Total
	Past dues	Past dues	Past dues	Past dues	Past dues	
Gross carrying Amount	1,246.08	246.05	201.47	33.55	371.93	2,099.08
Expected credit loss (Loss allowance provision)	-	42.25	78.01	7.67	371.93	499.86
Net carrying amount of trade receivables	1,246.08	203.80	123.46	25.88	-	1,599.22

April 01, 2017	0-90days	91-180days	181-365days	1-3years	>3years	Total
	Pastdues	Pastdues	Pastdues	Pastdues	Pastdues	
Gross carrying Amount	1,013.62	151.36	195.95	148.33	360.12	1,869.38
Expected credit loss (Loss allowance provision)	-	48.13	57.62	116.51	360.12	582.38
Net carrying amount of trade receivables	1,013.62	103.23	138.33	31.82	-	1,287.00

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are approved by the Group's Board of Directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Liquidity risk

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

	Current	Non Current		Total
	Upto 1 year	1-5 years	More than 5 years	
	INR lakhs	INR lakhs	INR lakhs	
March 31, 2019				
Trade payables	2,133.00	-	-	2,133.00
Borrowings (Refer Note I below)	795.73	18,579.59	-	19,375.32
Other financial liabilities	2,921.40	101.23	-	3,022.63
	5,850.13	18,680.82	-	24,530.95

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Current		Non Current		Total
	Upto 1 year		1-5 years	More than 5 years	
	INR lakhs	INR lakhs	INR lakhs	INR lakhs	
March 31, 2018					
Trade payables	12,403.50	1,703.39	-	-	14,106.89
Borrowings (Refer Note I below)	1,419.29	16,232.21	3,735.45	-	21,386.95
Other financial liabilities	13,969.86	251.30	-	-	14,221.16
	27,792.65	18,186.90	3,735.45		49,715.00
April 01, 2017					
Trade payables	11,313.02	1,339.65	-	-	12,652.67
Borrowings (Refer Note I below)	8,348.73	16,430.66	-	-	24,779.39
Other financial liabilities	9,739.89	583.26	-	-	10,323.15
	29,401.64	18,353.57			47,755.21

Note I: Borrowings

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Borrowing (Refer Notes 17a and 17b)	18,818.15	20,970.95	16,434.76
Add: Current maturity of borrowings	557.17	416.00	8,344.63
Total	19,375.32	21,386.95	24,779.39

46. Capital management

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio below 15%.

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Borrowings (long-term and short-term, including current maturities) - Note 17	18,818.15	20,970.95	16,434.76
Less: Cash and cash equivalents - Note 9	(832.12)	(4,208.15)	(3,990.13)
Net debts (a)	17,986.03	16,762.80	12,444.63
Equity share capital- Note 15	5,372.31	5,367.66	5,345.40
Other equity- Note 16	111,648.31	123,589.49	121,465.78
Total Capital (b)	117,020.62	128,957.15	126,811.18
Capital and net debt (c=a+b)	135,006.65	145,719.95	139,255.81
Gearing ratio % (d=a/c)	13.32%	11.50%	8.94%

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

47. The standard issued, but not yet effective upto the date of issuance of the Company financial statements is disclosed below. The Company intends to adopt the standard when it becomes effective.

Standards issued but not yet effective:

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective. The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

a) Ind AS 116: Leases

Ind AS 116 Leases has been notified during the current year and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 01, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Transition to Ind AS 116:

The Group is proposing to use the "Modified Retrospective Approach" for transitioning to Ind AS 116 and to apply Ind AS 116 prospectively with cumulative effect of initial application as an adjustment to the opening retained earnings as at April 01, 2019. The Group is currently in process of assessing the impact of this standard on financial statements.

48. First-time adoption of Ind AS

These consolidated financial statements, for the year ended March 31, 2019, are the first the Group has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2018, the Group prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). Accordingly, the Group has prepared consolidated financial statements which comply with Ind AS applicable for periods ending on March 31, 2019, together with the comparative period data as at and for the year ended March 31, 2018, as described in the summary of significant accounting policies. In preparing these financial statements, the Group's opening balance sheet was prepared as at April 01, 2017, the Group's date of transition to Ind AS. This note explains exemptions availed by the Group in restating its Previous GAAP financial statements, including the balance sheet as at April 01, 2017 and the financial statements as at and for the year ended March 31, 2018.

(I) IND AS optional exemptions:

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Group has applied the following exemptions.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

(a) Deemed cost:

IND AS 101 permits a first time adopter to elect to fair value its property, plant and equipment as recognized in financial statements as at the date of transition to IND AS, measured as per previous GAAP and use that as its deemed cost as at the date of transition or apply principles of IND AS retrospectively. IND AS 101 also permits the first time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to IND AS. This exemption can be also used for intangible assets covered by Ind-AS 38. Accordingly, the Group has elected to consider carrying value of its property, plant and equipment and intangible assets as its deemed cost on the date of transition to IND AS.

(b) Share based payment transactions

IND AS 101 permits a first time adopter to elect not to apply principles of IND AS 102 to liabilities arising from share based payment transactions that were settled before the date of transition.

The Group has elected not to apply IND AS 102- "Share based payment" on stock options that vested before date of transition.

(c) Business Combinations

The Group has used the exemption under IND AS 101 at the date of transition to Ind AS i.e. carrying amounts of assets and liabilities, that are required to be recognized under Ind AS is their deemed cost at the date of acquisition. After the date of acquisition, measurement is in accordance with the respective IND AS. The Group recognizes all assets and liabilities assumed in a past business combination.

(II) IND AS mandatory exemptions:

(a) Estimates

An entity estimates in accordance with IND AS at the date of transition to IND AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. IND AS estimates at April 1, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

(b) Derecognition of financial assets and financial liabilities

IND AS 101 requires a first time adopter to apply the derecognition provisions of IND AS 109 prospectively for transactions occurring on or after the date of transition to IND AS. Accordingly, the Group has applied the derecognition requirement for financial assets and financial liabilities in IND AS 109 prospectively for transactions occurring on or after date of transition to IND AS.

(c) Classification of financial assets and liabilities

IND AS 101 requires an entity to assess classification and measurement of financial assets on the basis of facts and circumstances that exist on the date of transition to IND AS. Accordingly, the Group has applied the above requirement prospectively.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

(d) Impairment of financial assets

IND AS 101 requires an entity to assess and determine the impairment allowance on financial assets as per IND AS 109 using the reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized and compare it to the credit risk at the date of transition to IND AS. The Group has applied this exception prospectively.

III) Reconciliation of equity as at April 01, 2017

	Footnotes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Assets				
Non-current assets				
Property, plant and equipment	1, 10	50, 228.33	(42, 125.11)	8, 103.22
Capital work in progress	10	44, 365.84	(40, 301.61)	4, 064.23
Goodwill	1	39, 712.63	(37, 246.96)	2, 465.67
Other Intangible Assets	1	3, 135.10	(1, 292.59)	1, 842.51
Intangible assets under development	1	64.77	(60.15)	4.62
Investment in joint ventures	1	-	63, 031.69	63, 031.69
Financial assets				
- Investments	1	40, 940.67	1, 650.89	42, 591.56
- Loans	1, 5	15, 885.11	(15, 436.72)	448.39
- Other		20.79	-	20.79
Deferred tax assets (net)	1, 4	838.85	(838.85)	-
Non-current tax assets	1	3, 684.42	(3, 341.04)	343.38
Other non- current assets	1, 5	11, 783.58	(2, 847.62)	8, 935.96
		210, 660.09	(78, 808.07)	131, 852.02
Current assets				
Inventory	1, 10	1, 079.47	38, 351.74	39, 431.21
Financial assets				
- Investments	2	54, 318.89	1, 032.05	55, 350.94
- Loans		671.41	(651.79)	19.62
- Trade receivables	1	13, 068.25	(11, 781.25)	1, 287.00
- Cash and cash equivalents	1	4, 797.11	(806.98)	3, 990.13
- Others	1	3, 431.56	(421.60)	3, 009.96
Current tax assets		1, 735.16	(1, 512.10)	223.06
Other current assets	1, 5	2, 440.86	(441.61)	1, 999.25
		81, 542.71	23, 768.46	105, 311.17
Total assets		292, 202.80	(55, 039.61)	237, 163.19
Equity and liabilities				
Equity				
Equity share capital		5, 345.40	-	5, 345.40
Other equity	1, 3, 7	121, 461.90	3.88	121, 465.78
Equity attributable to equity holders of the parent		126, 807.30	3.88	126, 811.18

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Footnotes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Non Controlling Interest	1	12, 185.16	419.94	12, 605.10
Total Equity		138, 992.46	423.82	139, 416.28
Non-current liabilities				
Financial liabilities				
- Borrowings	1, 14	52, 454.47	(36, 023.81)	16, 430.66
- Trade payables				
Total outstanding dues of micro enterprises and small enterprises		-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	13	1, 376.77	(37.12)	1, 339.65
- Other financial liabilities	1	1, 409.98	(826.72)	583.26
Provisions	1	1, 172.42	(260.32)	912.10
Deferred tax liabilities (net)	1, 4	769.36	(744.14)	25.22
Total Non-current liabilities		57, 183.00	(37, 892.11)	19, 290.89
Current liabilities				
Financial liabilities				
- Borrowings	1	3, 999.30	(3, 995.20)	4.10
- Trade payables				
Total outstanding dues of micro enterprises and small enterprises		-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1	23, 012.95	(11, 699.93)	11, 313.02
- Other current financial liabilities	1	18, 588.34	(503.82)	18, 084.52
Other current liabilities	1	20, 389.54	(302.89)	20, 086.65
Provisions	1	30, 037.21	(1, 069.48)	28, 967.73
Total current liabilities		96, 027.34	(17, 571.32)	78, 456.02
Total equity and liabilities		292, 202.80	(55, 039.61)	237, 163.19

IV) Reconciliation of equity as at March 31, 2018

	Footnotes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind-AS
Assets				
Non-current assets				
Property, plant and equipment	1, 10	97, 192.61	(85, 046.09)	12, 146.52
Capital work in progress	10	2, 065.06	(1, 687.13)	377.93
Goodwill	1	58, 380.24	(55, 914.57)	2, 465.67
Other Intangible Assets	1	3, 587.13	(1, 186.78)	2, 400.35
Intangible assets under development	1	163.51	(163.51)	-
Investment in joint ventures	1	-	81, 893.06	81, 893.06
Financial assets				

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Footnotes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind-AS
- Investments	1	43,372.13	291.72	43,663.85
- Loans	1, 5	16,469.59	(15,914.57)	555.02
- Other		211.73	-	211.73
Deferred tax assets (net)	1, 4	840.98	(614.51)	226.47
Non-current tax assets		5,384.99	(4,769.45)	615.54
Other non-current assets	1, 5	13,911.94	(6,390.07)	7,521.87
		241,579.91	(89,501.90)	152,078.01
Current assets				
Inventory	1, 10	1,555.58	28,466.58	30,022.16
Financial assets				
- Investments	2	36,898.25	645.58	37,543.83
- Loans		20.78	-	20.78
- Trade receivables	1	16,796.98	(15,197.76)	1,599.22
- Cash and cash equivalents	1	4,836.40	(628.25)	4,208.15
- Others	1	6,814.59	(960.28)	5,854.31
Current tax assets	1	1,444.25	(1,182.77)	261.48
Other current assets	1, 5	6,702.01	(3,350.94)	3,351.07
		75,068.84	7,792.16	82,861.00
Total assets		316,648.75	(81,709.74)	234,939.01
Equity and liabilities				
Equity				
Equity share capital		5,367.66	-	5,367.66
Other equity	1, 3, 7	122,621.37	968.12	123,589.49
Equity attributable to equity holders of the parent		127,989.03	968.12	128,957.15
Non Controlling Interest	1	13,392.07	(264.52)	13,127.55
Total Equity		141,381.10	703.60	142,084.70
Non-current liabilities				
Financial liabilities				
- Borrowings	1	62,875.42	(42,907.76)	19,967.66
- Trade payables				
Total outstanding dues of micro enterprises and small enterprises		-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	13	1,773.46	(70.07)	1,703.39
- Other financial liabilities	1	2,445.76	(2,194.46)	251.30
Provisions	1	1,510.07	(591.12)	918.95
Other non-current liabilities				
Deferred tax liabilities (net)	1, 4	768.54	(768.54)	-
Total Non-current liabilities		69,373.25	(46,531.95)	22,841.30

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Footnotes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind-AS
Current liabilities				
Financial liabilities				
- Borrowings	1, 14	5, 185.84	(4, 182.55)	1, 003.29
- Trade payables				
Total outstanding dues of micro enterprises and small enterprises		-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1	30, 317.71	(17, 914.21)	12, 403.50
- Other current financial liabilities	1	16, 387.75	(2, 001.89)	14, 385.86
Other current liabilities	1	23, 087.50	(10, 691.03)	12, 396.47
Provisions	1	30, 915.60	(1, 091.71)	29, 823.89
Total current liabilities		105, 894.40	(35, 881.39)	70, 013.01
Total equity and liabilities		316, 648.75	(81, 709.74)	234, 939.01

V) Reconciliation of profit or loss for the year ended March 31, 2018:

	Footnotes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Income				
Revenue from operations	1, 2	157, 088.31	(133, 086.79)	24, 001.52
Other income	1, 2	4, 489.81	(3, 371.45)	1, 118.36
Total income		161, 578.12	(136, 458.24)	25, 119.88
Expenses				
Cost of raw material and components consumed	1	58.42	4, 066.36	4, 124.78
Purchase of Pharmacy & Pharma supplies	1	22, 586.13	(22, 586.13)	-
(Increase)/ decrease in inventories of finished goods and WIP	1, 10	-	9, 095.33	9, 095.33
(Increase)/ decrease in inventories of traded goods	1	(253.57)	253.57	-
Employee benefits expense	1, 3, 6	42, 694.36	(34, 748.30)	7, 946.06
Depreciation and amortization expense	1	7, 347.77	(6, 899.07)	448.70
Finance costs	1	7, 831.46	(5, 224.05)	2, 607.41
Other expenses	1	86, 141	(79, 867.98)	6, 273.15
Total expenses		166, 405.70	(135, 910.27)	30, 495.43
Loss before share of loss of joint ventures and tax from continuing operations		(4, 827.58)	(547.97)	(5, 375.55)
Share of loss of joint ventures	1	-	(581.72)	-581.72
Loss before tax from continuing operations		(4, 827.58)	(1, 129.69)	(5, 957.27)
Tax expense :				

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

	Footnotes	Indian GAAP (regrouped)	Ind AS Adjustments	Ind- AS
Current tax	1	1,598.35	(577.65)	1,020.70
Deferred tax	1	48.99	(297.59)	(248.60)
Income tax adjustment related to earlier years	1	(46.45)	(1.21)	(47.66)
Total Tax Expense		1,600.89	(876.45)	724.44
Loss for the year from continuing operations		(6,428.47)	(253.24)	(6,681.71)
Discontinuing Operations				
Profit/(loss) before tax for the year from discontinuing operations		(701.01)	4,482.99	3,781.98
Tax expense of discontinuing operations		-	423.83	423.83
Profit/ (loss) for the year from discontinuing operations		(701.01)	4,906.82	3,358.15
Loss for the year		(7,129.48)	4,653.58	(3,323.56)

(VI) Footnotes to the reconciliation of equity as at April 01, 2017 and March 31, 2018 and profit or loss for the year ended March 31, 2018:

1) Joint venture

The group holds 49.74% interest in Max Healthcare Institute Limited (MHIL) and exercises joint control over the entity. Under Indian-GAAP group has proportionately consolidated its interest in MHIL in the Consolidated Financial Statement. On transition to Ind AS the group has assessed and determined that MHIL is its joint venture under Ind AS 111 Joint Arrangements. Therefore, it needs to be accounted for using the equity method as against proportionate consolidation. For the application of equity method, the initial investment is measured as the aggregate of Ind AS amount of assets and liabilities that the group had previously proportionately consolidated including any goodwill arising on acquisition. Derecognition of proportionately consolidated MHIL has resulted in change in balance sheet, statement of profit and loss and cash flow statement. For its impact on the financial statement refer note 36.

2) Investments in Mutual Funds

Under Indian GAAP, investments in Mutual Funds have been recognised at lower of cost or fair value. However, under Ind AS, such investments have been classified and measured at fair value through profit or loss. Accordingly, under Ind AS, at transition date impact of fair valuation of such mutual funds has been passed through retained earnings and subsequent to transition date, the same has been passed through statement of profit and loss.

3) Share based payments

The Group has granted stock options to its employees. Under Indian GAAP, the ESOP expense is recorded through Intrinsic value method. However, under Ind AS 102, employee share-based payments should be accounted for using fair value method. Under the ESOP plan, the employees receive shares of the Group upon completion of vesting conditions hence the same will be treated as equity settled share based payment. Grant date fair value of

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

the equity instrument should be used for measuring the ESOP expense. The differential amount of the expense shall be booked in retained earnings on transition date.

4) Deferred Taxes

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base.

The application of Ind AS 12 approach would have resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. Further, deferred tax has been recognised on Ind AS transition adjustments.

5) Security deposits

Under the previous GAAP, interest free security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognized at fair value. Accordingly, the Group has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognized as prepaid expenses. Amortization of prepaid expenses has been recognized in other expenses which is partially set off with notional interest income in statement of profit & loss.

6) Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous IGAAP, these remeasurements were forming part of the profit or loss for the year.

7) Retained earnings

Retained earnings as at April 1, 2017 and March 31, 2018 has been adjusted consequent to the above Ind AS transition adjustments.

8) Other comprehensive Income

Under Ind AS, all items of income and expense recognized in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognized in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' Includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under Indian GAAP.

9) Cash flow statement

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

10) Finance Lease

The leasing arrangement under Senior Living Projects are assessed from Ind AS 17 perspective and based on

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

certain judgements, interpretation and assumptions taken by the management, the Group has classified these lease arrangements as finance leases. Consequently, lease rental income and depreciation of leased assets booked in previous years have been reversed back and profit on finance lease has been recognised in the statement of profit and loss. The Group is receiving full lease consideration in advance before possession/registration of lease deed. In such case the entire lease consideration received towards the apartment to the extent it is related to lease rentals, is recognized as revenue in the statement of profit and loss and the costs of the leased unit is transferred from inventory to the statement of profit and loss. The cost of unleased assets is appearing under Inventories at end the of each reporting period.

11) Lease equalisation reserve reversal

Under Previous GAAP, the Group has recognised a lease equalisation reserve as there is escalation in lease rentals around 5%. Under Ind AS, lease equalisation reserve is to be recognised only when the escalation in lease rentals is not in line with the expected inflation level. The escalation of 5% in lease rentals can be regarded to be in line with inflation, hence lease equalisation reserve is not to be recognised and the existing reserve has been reversed through retained earnings.

12) Provision for impairment/ECL on investments and receivables

Under previous GAAP, the Group has created provision for impairment of investments and receivables only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on Expected Loss model (ECL). The impact of the same has been recognised in retained earnings on the transition date and as an expense in the statement of profit and loss in the comparative period.

13) Discounting of non- current payables

Under Indian GAAP, the non current payables were recorded at transaction value. Under Ind AS, they are discounted and recorded at present value. On transition date, the difference is taken to retained earnings. In comparative period, interest is accreted on the payable amount.

14) Borrowings

Under Indian GAAP, transaction costs incurred in connection with borrowings are amortised upfront and charged to profit or loss for the period. Under Ind AS, transaction costs are included in the initial recognition amount of financial liability and charged to profit or loss using the effective interest method.

49. Max Bupa Health Insurance Company Limited ("Max Bupa"), one of the subsidiary holds investment in commercial papers amounting to Rs 3, 000.00 lakhs and in corporate bonds amounting to Rs 3, 000.00 lakhs with IL&FS and its group companies (collectively referred to as IL&FS). These commercial papers were due for maturity in September 2018, however, IL&FS has defaulted in its repayment. As a result of increased credit risk in relation to outstanding balances from IL&FS and the uncertainty prevailing due to the proceedings pending with the NCLT, the entire amount of Rs 6, 000.00 lakhs has been provided by the Group. The Group, however, continues to monitor developments on this matter and is committed to take steps including further legal actions that may be necessary to ensure full recoverability.

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in INR lakhs, unless otherwise stated)

- 50.** On December 24, 2018, the Board of Directors of Max India Limited (the “Company”), approved a Composite Scheme of Amalgamation and Arrangement (the “Scheme”) between the Company, its joint venture Max Healthcare Institute Limited (“Max Healthcare”), its wholly owned subsidiary Advaita Allied Health Services Limited (“Advaita Allied”) and Radiant Life Care Private Limited (“Radiant Life”), and their respective shareholders and creditors subject to obtaining requisite regulatory and other approvals.

The Scheme inter-alia provides for (a) Demerger of the activity of making, holding and nurturing investments in allied health and associated activities (collectively known as “Demerged Undertaking”) from the Company into Advaita Allied, the shareholders of the Company as on record date (to be specified by the board of directors of the Company subsequently) shall be issued 1 Equity share of Rs. 10 each of Advaita Allied for every 5 equity shares of Rs.2 each held in the Company. The shares of Advaita Allied shall be listed on the stock exchanges post effectiveness of the Scheme; (b) Demerger of healthcare business of Radiant Life into Max Healthcare, pursuant to which shareholders of Radiant Life as on record date (to be specified by the board of directors of Radiant Life subsequently) shall be issued 9, 074 equity shares of Max Healthcare of Rs. 10 each, for every 10 equity shares, of Rs. 10 each held in Radiant Life and (c) Amalgamation of residual Company (post demerger of the Demerged Undertaking), which comprises of healthcare activities (including its underlying investment in Max Healthcare) with Max Healthcare. The shareholders of the Company as on record date (to be specified by the board of directors of the Company subsequently) shall be issued 99 equity shares of Rs.10 each of Max Healthcare for every 100 equity shares of Rs.2 each held in the Max India Limited. The shares of Max Healthcare shall be listed on stock exchanges post effectiveness of the Scheme after receipt of listing approvals.

The parties to the Scheme are currently in the process of obtaining regulatory approvals, post which the Company will file the requisite petitions with National Company Law Tribunal and obtain other approvals, as applicable.

With effect from the Appointed date (as defined in the Scheme), the Company's business shall stand demerged with Advaita and Max Healthcare, and the Company shall, pursuant to provisions of section 230 to section 232 and other applicable provisions (if any), of the Companies Act, 2013 stand merged in Max Healthcare as a going concern in the manner provided in the Scheme.

In view of the above these financial results have been prepared on a going concern basis.

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Firm Registration No. 301003E/E300005
 Chartered Accountants

per Sanjay Vij
 Partner
 Membership No.: 095169

Place: Gurugram
 Date: May 29, 2019

For and on behalf of the Board of Directors of Max India Limited

Mohit Talwar
 (Managing Director)
 DIN - 02394694

Jatin Khanna
 (Chief Financial Officer)

Place: New Delhi
 Date: May 29, 2019

Ashok Brijmohan Kacker
 (Director)
 DIN - 01647408

V. Krishnan
 (Company Secretary)



Max India Limited

MAX HOUSE

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New Delhi 110020, India

Telephone: + 91 11 42598000

www.maxindia.com



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[/maxgroup](https://twitter.com/maxgroup)



[/company3187772](https://www.linkedin.com/company/3187772)



MAX INDIA LIMITED

(CIN: L85100PB2015PLC039155)

Registered Office: 419, Bhai Mohan Singh Nagar, Village Railmaja,
Tehsil Balachaur, District Nawanshahr, Punjab – 144 533

Tel : 01881-462000, 462001 Fax: 01881- 273607

Website: www.maxindia.com

E-mail: investorhelpline@maxindia.com

NOTICE

NOTICE is hereby given that the fourth Annual General Meeting of the members of Max India Limited ('the Company') will be held on Friday, August 2, 2019 at 11.00 a.m., at the Registered Office of the Company at 419, Bhai Mohan Singh Nagar, Village Railmaja, Tehsil Balachaur, District Nawanshahr, Punjab-144 533 to transact the following business:

Ordinary Business:

1. To receive, consider and adopt:
 - a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2019, the reports of the Board of Directors and Auditors thereon; and
 - b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2019 and the report of the Auditors thereon.
2. To appoint a director in place of Mrs. Tara Singh Vachani (DIN: 02610311) who retires by rotation and being eligible, offer herself for re-appointment.
3. To appoint a director in place of Mr. Ashwani Windlass (DIN: 00042686) who retires by rotation and being eligible, offer himself for re-appointment.

Special Business:

4. To consider & if thought fit to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr. K. Narasimha Murthy (DIN: 00023046), who was appointed as an Additional Director on the Board of Directors of the Company in terms of Section 161(1) of the Companies

Act, 2013 (the 'Act') (including any statutory modification or re-enactment thereof for the time being in force) and whose term of office expires at this Annual General Meeting and who meets the criteria of Independence as provided under Section 149(6) of the Act read with SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160 of the Act, proposing his candidature for appointment as an Independent Director, be and is hereby appointed as an Independent Director in accordance with Sections 149, 150, 152 read with Schedule VI and other applicable provisions of the Act and corresponding Rules formed thereunder, to hold office for a term of 5 (five) consecutive years w.e.f. December 24, 2018 to December 23, 2023 and that he shall not be liable to retire by rotation."

5. To consider & if thought fit to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT Mrs. Sharmila Tagore (DIN: 00244638), who was appointed as an Additional Director on the Board of Directors of the Company in terms of Section 161(1) of the Companies Act, 2013 (the 'Act') (including any statutory modification or re-enactment thereof for the time being in force) and whose term of office expires at this Annual General Meeting and who meets the criteria of Independence as provided under Section 149(6) of the Act read with SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160 of the Act, proposing her candidature for appointment as an

Independent Director, be and is hereby appointed as an Independent Director in accordance with Sections 149, 150, 152 read with Schedule VI and other applicable provisions of the Act and corresponding Rules formed thereunder, to hold office for a term of 5 (five) consecutive years w.e.f. February 26, 2019 to February 25, 2024 and that she shall not be liable to retire by rotation."

6. To consider & if thought fit to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** Mr. Analjit Singh (DIN: 00029641) who was appointed as an Additional Director on the Board of Directors of the Company with effect from April 1, 2019 in terms of Section 161(1) of the Companies Act, 2013 (the 'Act') (including any statutory modification(s) or re-enactment thereof for the time being in force) and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company and he shall not be liable to retire by rotation."

7. To consider & if thought fit to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to Regulation 24(5) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and applicable provisions of the Companies Act, 2013, read with relevant rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the approval of the Audit Committee and the Board of Directors and subject to the Memorandum and Articles of Association of the Company and necessary approvals, consents, permissions and sanctions required, if any, from appropriate authorities and subject to such terms, conditions, amendments or modifications as may be prescribed by any such appropriate authorities, the consent of the members of the Company be and is hereby accorded for divestment of the entire equity shareholding comprising of 47,122,747 equity shares of Re.1/- each held and owned by the Company in its material subsidiary – Pharmax Corporation Limited to M/s. Max Estates Limited, being a related party in terms of Regulation 2(1)(zb) of the Listing Regulations by

way of sale / transfer / disposal either in whole or in part or in one or more tranches for an aggregate consideration of Rs. 61.2 Crore and on such terms and conditions and with such modifications as may be required as the Board of Directors (which shall deem to include any Committee which the Board of Directors may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution) may deem fit and appropriate in the interest of the Company.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized on behalf of the Company to negotiate, finalize, vary and settle the terms and conditions of the proposed divestment, and execute the share purchase agreement and such other agreements, deeds, applications and related documents as may be required and subsequent modifications thereto and to do all such acts, deeds, matters and things, as may be necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard including the power to sub-delegate and take all necessary steps as it may in its absolute discretion and in the best interest of the Company deem necessary, desirable or expedient from time to time in order to give effect to the aforesaid resolution."

8. To consider & if thought fit to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution:**

"**RESOLVED THAT**, pursuant to the Regulation 2(zc) and 23(4) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (Listing Regulations) and provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof and any rules thereunder for the time being in force) and subject to such other approvals, sanctions, consents and permissions as may be deemed necessary, the consent of the members of the Company, be and is hereby accorded to Board of Directors of the Company for the Material Related Party Transaction proposed to be entered by the Company with M/s. Max Estates Limited, a related party in terms of Regulation 2(1)(zb) of the Listing Regulations, as per details set out under Item No. 7 & 8 of the Explanatory Statement annexed to this Notice.

RESOLVED FURTHER THAT, the Board of Directors of the Company be and is hereby authorised to

finalize the terms and to execute agreements, deeds or writings if required to be executed in relation to the proposed Material Related Party Transaction and to do all acts, deeds, matters and things as it may be deemed necessary to give effect to this Resolution.”

By Order of the Board
For **Max India Limited**

V. Krishnan
Company Secretary
M. No. FCS -6527

Place: New Delhi

Date: June 26, 2019

NOTES

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBER(S) NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBER.**
- Proxies in order to be effective must be received at the Registered Office of the Company at 419, Bhai Mohan Singh Nagar, Village Railmajra, Tehsil Balachaur, District Nawanshahr, Punjab-144 533 at least 48 hours before the commencement of the meeting. A format of Proxy Form is enclosed.
- The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, July 27, 2019 to Friday, August 2, 2019 (both days inclusive).
- Members are requested to send all their correspondence directly to Mas Services Limited, Registrar & Share Transfer Agent of the Company at T-34, 2nd Floor, Okhla Industrial Area Phase II, New Delhi – 110 020. Tel-011-26387281-83, Fax-011-26387384; E-mail: info@masserv.com or mas_serv@yahoo.com
- Members/Proxies for Members should bring the attendance slip duly filled-in for attending the meeting.

- Members/Proxies for Members holding shares in dematerialized form should also bring their latest Statement of Account held with the concerned depository participant for attending the meeting.
- The documents referred to in the proposed resolutions and other statutory records and registers are open for inspection at Registered Office and Corporate office of the Company during working hours between 9.30 a.m. and 1.00 p.m., except on holidays. The Corporate office of the Company is situated at Max House, 1, Dr. Jha Marg, Okhla, New Delhi- 110020.
- The Notice of the AGM alongwith the Annual Report 2018-19 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company/ Depositories, unless any Member has requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. **To support the ‘Green Initiative’, the Members who have not registered their e-mail addresses are requested to register the same with the depositories/Mas Services Limited, the Registrar and Share Transfer Agent, to ensure that the annual report and other documents reaches them in their preferred email.**

The members holding shares in physical form are further requested to convert their shareholding from Physical form to Demat form with a Depository Participant of their choice. Holding share in demat form has following advantages:

- Freedom from physical storage
 - Elimination of chances of theft, mutilation, defacement.
 - Easy to sell and realize sale proceeds and/or dividend in the bank account linked with the Depository.
 - Contribution to the ‘Green Initiative’
- Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) and Bank Details by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit / update their PAN and Bank Details to their Depository Participants with whom they are maintaining their demat accounts, if not already updated. Members holding shares in physical form are requested to submit their PAN and Bank details to the Company/

Registrar and Share Transfer Agent, by sharing self-attested copy of PAN card and original cancelled cheque along with request letter.

10. As per Regulation 40 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Mas Services Limited for assistance in this regard.
11. In compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, unclaimed shares lying with the Company have been transferred and dematerialized in an 'Unclaimed Suspense Account' of the Company. This account is being maintained by the Company purely on behalf of the shareholders entitled for these shares.

It may also be noted that all the corporate benefits accruing on these shares like bonus, split etc., if any, shall also be credited to the said 'Unclaimed Suspense Account' and the voting rights on these shares shall remain frozen until the rightful owner has claimed the shares. Shareholders who have not yet claimed their shares are requested to immediately approach the Share Department of the Company or Registrar and Transfer Agent (RTA) by forwarding a request letter duly signed by all the shareholders furnishing their complete postal address along with PIN code, a copy of PAN card & proof of address, and for delivery in demat form, a copy of Demat Account - Client Master Report duly certified by the Depository Participant (DP) and a recent Demat Account Statement, to enable the Company to release the said shares to the rightful owner.

12. As required under Secretarial Standard – 2 and Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the relevant information in respect of Directors seeking appointment / re-appointment at this Annual General Meeting (AGM) is enclosed as Annexure 1.
13. At the First Annual General Meeting of the Company held on September 27, 2016, the members approved appointment of M/s. S. R. Batliboi &

Co., LLP, Chartered Accountants (FRN. 301003E) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that Annual General Meeting till the conclusion of the 5th Annual General Meeting to be held in the year 2020, subject to ratification of their appointment by members at every Annual General Meeting if so required by the Companies Act 2013.

Vide notification dated May 7, 2018, the Ministry of Corporate Affairs has done away with the requirement of seeking ratification of members for appointment of auditors at every Annual General Meeting. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the third Annual General Meeting.

14. Certificate from M/s. S. R. Batliboi & Co., LLP, Chartered Accountants (FRN. 301003E), Statutory Auditors, certifying that Max India Employee Stock Plan - 2016 is being implemented in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014 and in accordance with the resolution passed in the Annual General Meeting of the Company held on September 27, 2016 will be placed at the meeting.
15. In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed thereunder, the members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL on all resolutions set forth in this Notice.

The instructions and other information relating to e-voting are as under:

The procedure to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step-1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step-2: Cast your vote electronically on NSDL e-Voting system.

Detailed procedure is as under:

Step 1: Log-in to NSDL e-Voting system

Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/>.

1. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login.

Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

2. Your User ID details will be as per details given below :

Manner of holding shares	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****)
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID (For example if your Beneficiary ID is 12***** then your user ID is 12*****)
c) For Members holding shares in Physical Form	EVEN Number followed by Folio Number registered with the company (For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***)

3. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password
 - c) How to retrieve your 'initial password'?
- i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file

contains your 'User ID' and your 'initial password'.

- ii. If your email ID is not registered, your 'initial password' is communicated to you on your postal address, on the Attendance Slip as below:

EVEN (E VOTING EVENT NUMBER)	USER ID	PASSWORD/ PIN

4. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.

"Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsd.com.

If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
5. After entering your password, read and tick on Agree to "Terms and Conditions" by selecting on the check box.
6. Now, you will have to click on "Login" button.
7. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" (E-Voting Event Number) of Max India Limited.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.

7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
9. Voting has to be done for each item of the Notice separately for each demat accounts/ folios. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.

General Guidelines for shareholders:

Corporate / Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail: **sanjaygrover7@gmail.com** or **contact@cssanjaygrover.in** to with a copy marked to **evoting@nsdl.co.in**.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) and e-Voting User Manual for members / shareholders, available at the Downloads section of www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800- 222-990.

Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. July 26, 2019, may obtain the login ID and password by sending a request at **evoting@nsdl.co.in** or to the Company's Registrar - Mas Services Limited at **info@masserv.com**

Other Information :

1. The e-voting period commences from Monday, July 29, 2019 at 9.00 am and ends on Thursday, August 01, 2019 at 5.00 pm. E-voting shall not be allowed beyond said time.
2. During aforesaid period, the members of the Company holding shares in physical form or in dematerialized form, as on the cut-off date, being Friday, July, 26, 2019, may cast their votes by

electronic means in the manner and process set out herein above. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. Further, the members who have cast their votes electronically shall not vote by way of poll at the AGM.

3. The Board of Directors has appointed Mr. Sanjay Grover, Managing Partner, failing him Mr. Neeraj Arora, Partner, M/s. Sanjay Grover & Associates , Company Secretaries having his office at B-88, 1st Floor, Defence Colony, New Delhi- 110024, as a Scrutinizer to scrutinize the e-voting process and Voting by Poll at AGM in a fair and transparent manner.
4. The Scrutinizer after scrutinizing the votes cast at the meeting (Poll) and through remote e-voting will make a Scrutiniser's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company or any other person authorized by him in writing.
5. The Results on resolutions shall be declared on or after the AGM of the Company within forty eight (48) hours of conclusion of the AGM and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions.
6. The Results declared along with the Scrutinizer's Report(s) shall be placed on Company's website www.maxindia.com and the website of NSDL within two (2) days of passing of the resolutions and communication of the same shall also be sent to the BSE Limited and the National Stock Exchange of India Limited.
16. Electronic copy of the Notice of the AGM of the Company, *inter alia*, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent to all the members whose email ID's are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of AGM of the Company, *inter-alia*, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent in the permitted mode.
17. The attendance slip and route map to the venue of the Meeting is included in this notice for easy

location. The route map of the venue of the Meeting is also hosted along with the Notice on the website of the Company i.e. www.maxindia.com

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

As required by Section 102 of the Companies Act, 2013 ('the Act'), the following explanatory statement sets out all material facts relating to the business mentioned under item nos. 4 to 8.

Item no. 4, 5 and 6

Based on the recommendation of Nomination and Remuneration Committee, the Board of directors of the Company ("the Board") appointed following persons as additional directors in terms of Section 161 of the Act, as per the details given here under:

- a) Mr. K. Narasimha Murthy (DIN: 00023046) in capacity of Independent Director effective December 24, 2018;
- b) Mrs. Sharmila Tagore (DIN: 00344638) in capacity of Independent Director effective February 26, 2019 and
- c) Mr. Analjit Singh (DIN: 00029641), Promoter of the Company in capacity of a Non Executive Director designated as Chairman of the Company with effect from April 1, 2019.

In terms of Section 161 of the Act, the term of office of aforesaid additional directors shall expire on the date of ensuing Annual General Meeting. The Company has received notices under Section 160 of the Act from members proposing the candidature of these directors for being appointed as directors of the Company.

The Company has received declarations from Mr. K. Narasimha Murthy and Mrs. Sharmila Tagore confirming that they meet the criteria of independence as prescribed under the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In the opinion of the Board, both these directors fulfill the conditions for their appointment as Independent Directors as specified in the Act and the Listing Regulations.

As per the provisions of the Act, Independent Directors can be appointed for a maximum term of five consecutive years and shall not be liable to retire by rotation.

Members may further note that Mrs. Sharmila Tagore is presently 74 years old. In terms of Regulation 17(1A) of Listing Regulations made applicable w.e.f. April 1, 2019, her continuation on the Board as a Non-executive and Independent Director after attaining the age of 75 years,

requires approval of shareholders by means of Special Resolution.

The brief resume of the aforesaid directors along with other details required under Listing Regulations read with the provisions of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('SS-2') are enclosed as Annexure 1.

Considering the seniority, expertise and vast experience of proposed appointees in their respective fields, the Board recommends the appointment of (i) Mr. K. Narasimha Murthy as an Independent Director as per item no. 4 by way of Ordinary Resolution (ii) Mrs. Sharmila Tagore as an Independent Director as per item no. 5 by way of Special Resolution and (iii) Mr. Analjit Singh as a Director not liable to retire by rotation as per item no.6 by way of an Ordinary Resolution.

Save and except Mr. Analjit Singh and Mrs. Tara Singh Vachani and their relatives (to the extent of their shareholding interest in the Company), none of the other Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the proposed resolutions.

Item no. 7 and 8

Members may note that Pharmax Corporation Limited (Pharmax Corporation) has become a material Subsidiary of the Company in terms of Regulation 16(1)(c) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) basis the Audited Consolidated Annual Accounts of the Company for the year ended March 31, 2019 as Pharmax Corporation's income during financial year 2018-19 exceeded 10% of Consolidated Income of the Company for the financial year 2018-19.

Presently, the paid up capital of Pharmax Corporation is Rs. 20,53,25,752 (Twenty Crore Fifty Three Lakh Twenty Five Thousand Seven Hundred and Fifty Two only) comprising of 5,53,25,752 Equity shares of Re 1/- each and 15,00,000 9% Cumulative Redeemable Preference Shares of Rs. 100/- each.

The Company holds 85.17% of total equity shareholding of Pharmax Corporation and remaining 14.83% equity shareholding is held by public shareholders. The entire preference shareholding of Pharmax Corporation is held by the Company which is due for redemption by March 31, 2020. Pharmax Corporation has not paid any dividend on the aforesaid shares since the issue date i.e. April 1, 2000. As at March 31, 2019, the total cumulative dividend outstanding on the aforesaid Preference shares was Rs.25.65 Crores.

As you are aware, the Company is in the process of rebalancing its portfolio of businesses. Keeping in view of the same and looking at the overall interests of the Company, the Board of Directors has approved to divest the Company's entire equity shareholding in Pharmax Corporation. The proceeds shall be utilized for onward investment in Subsidiaries.

Pursuant to Regulation 24(5) of Listing Regulations, no Company can dispose of shares in its material subsidiary resulting in reduction of its shareholding to less than fifty percent or cease to the exercise of control over the subsidiary without passing a special resolution in its General Meeting except in cases where such divestment is made under a scheme of arrangement duly approved by a Court/Tribunal or under a resolution plan duly approved under section 31 of the Insolvency Code and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved. Accordingly, approval of the members of the Company is being sought by way of a special resolution as set out in Item no.7

Max Estates Limited (Max Estates) is a wholly owned Subsidiary of Max Ventures and Industries Limited (Max Ventures). Max Ventures is one of the three listed companies of Max Group, operates across 3 primary businesses verticals - Max Speciality Films Limited, among the leading manufacturers of value added BOPP, Max Estates Limited, the real estate subsidiary which develops, sells, leases and licenses real estate in North India, Max I. Limited, engaged in investing in early stage businesses in certain identified sectors including healthcare, fintech, food and beverage services, hospitality, education, cyber security and real estate technology.

Max Estates, a related party in terms of Listing Regulations, has evinced interest to acquire Company's Equity shareholding in Pharmax Corporation for an aggregate consideration of Rs.61.2 Crore, basis the Valuation done by an Independent Valuer based on an estimated leasable area. Any changes in actual leasable area may involve certain upward/or downward adjustments in the aforesaid share sale consideration amount. This being a material related party transaction in terms of Regulation 23(4) of Listing Regulations requires approval of shareholders of the Company through a resolution. Accordingly, approval of members

of the Company is being sought by way of an ordinary resolution as set out in item no. 8. No related party shall vote to approve such resolution whether the entity/person is a related party to the particular transaction or not.

Subsequent to the shareholders approval and on such terms and conditions and with such modifications as may be required as the Board may deem fit and appropriate in the interest of the Company, execution of the aforesaid sale / transfer / disposal of shareholding of Pharmax Corporation will result in ceasing of exercising of Company's ownership over Pharmax Corporation.

Members may further note that in addition to the share sale consideration of Rs.61.20 Crore to be received from Max Estates Limited, the Company would receive from Pharmax Corporation, the redemption dues on Preference Shares held by the Company in Pharmax Corporation which would include the dividend and / or premium on redemption on aforesaid preference shares by March 31, 2020, upon certain variations in the existing terms of preference shares of Pharmax Corporation, subject to requisite approvals (collectively referred to as "Material Related Party Transaction").

The Board recommends the passing of the resolutions as set out in item No. 7 and 8 of the accompanying notice for the approval of shareholders of the Company as a Special Resolution and an Ordinary Resolution, respectively.

The Promoters of the Company owns 40.93% stake in the Company and 47.15% stake in Max Ventures.

None of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, financially or otherwise concerned or interested in the said resolution being a transaction between the Company and Max Estates, except to the extent of their shareholding in the Company, if any.

By Order of the Board
For **Max India Limited**

V. Krishnan
Company Secretary
M. No.FCS -6527

Place: New Delhi
Date: June 26, 2019

Annexure - 1

The information as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the provisions of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('SS-2'), in respect of the proposed appointments is furnished hereunder in the table:

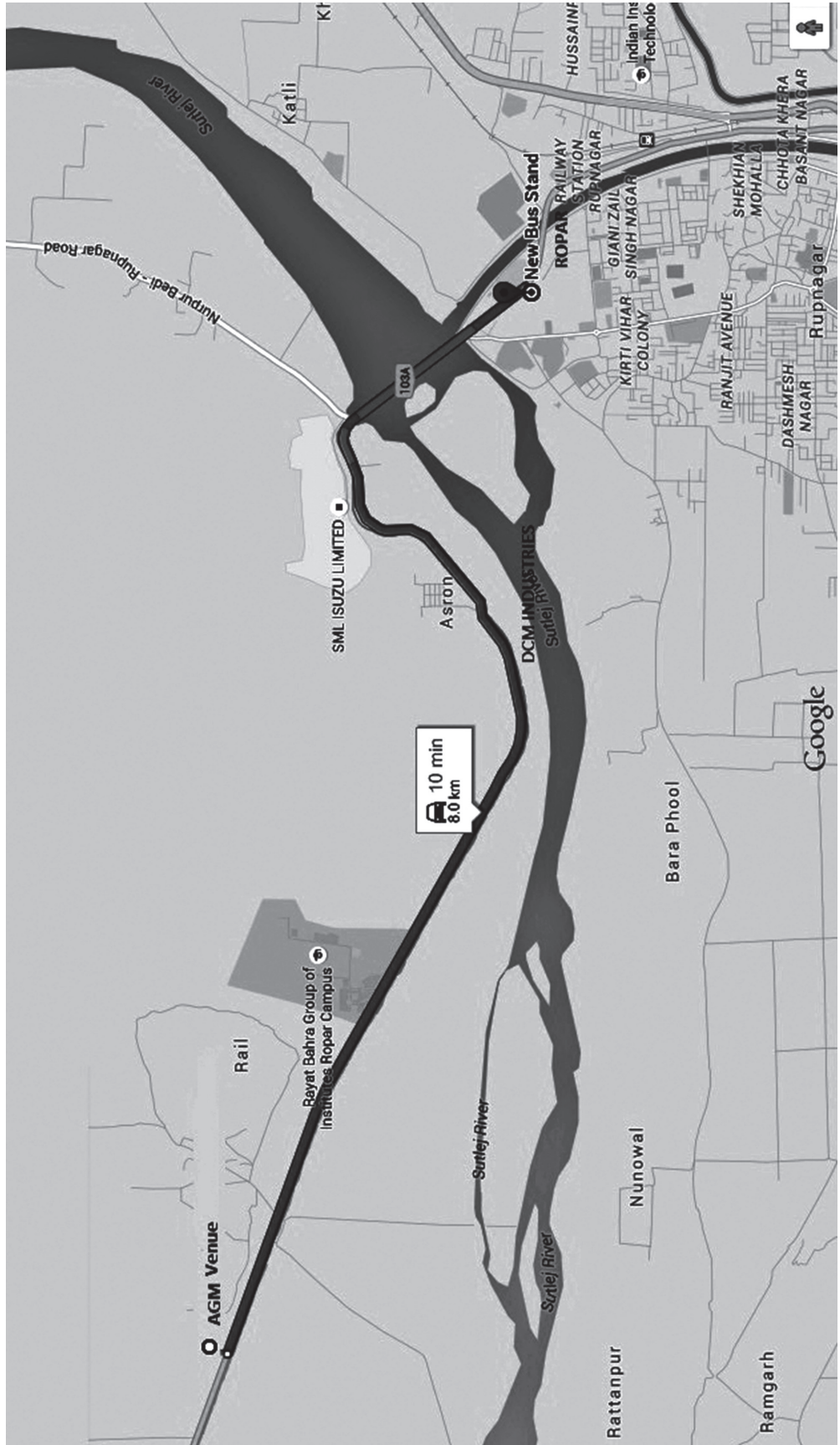
Name of the Director	Mr. K. Narasimha Murthy (DIN: 00023046)	Mrs. Sharmila Tagore (DIN: 00244638)	Mr. Anajit Singh (DIN: 00029641)	Mrs. Tara Singh Vachani (DIN: 02610311)	Mr. Ashwani Windlass (DIN: 00042686)
Date of Birth / Age	August 13, 1957 / 61 years	December 8, 1944 / 74 years	January 11, 1954 / 64 years	January 04, 1987 / 32 years	July 02, 1956 / 62 years
Brief Resume (Including nature of expertise in specific functional areas and qualifications)	Mr. K. Narasimha Murthy entered the profession of Cost & Management Accountancy in 1983. He has been associated with the development of Cost & Management Information Systems for more than 150 companies across more than 45 industries. In addition, he has been closely involved in turning around multiple large corporates, focusing on systems improvement with a cost optimisation approach. He has been associated with more than 28 High Level Committees as Chairman / Member both at the National and State level, including Prasara Bharati Restructuring Committee, Expert Committee on Common Wealth Games, Restructuring Committee of State Level PSUs, Expert Committee on Co-op. Credit Institutions, Fiscal Reforms Implementation Committee, TTD Investment Committee – Tirupati, among others. He is also associated with the development of Cost Accounting Record Rules for many industries as a member of Informal Advisory Committee, Department of Corporate Affairs, Government of India. His contribution to the Costing & Management Accounting profession in India has been recognised by the Institute of Cost & Works Accountants of India (ICWAI) which honoured him with a citation in October 2007.	Mrs. Sharmila Tagore is a highly experienced senior actress of the Indian Film Industry. She started her career in films in the year, 1957. She had won National Film Awards and Filmfare Awards for her various performances. The ministry of Culture and Communications of the Government of France had honoured her, in the year, 1999, by making her an "Officer de L'Ordre des Arts et des Lettres" (Officer of the Order of Arts and Letters). Apart from acting, she has been and remains actively involved in social work both in India and abroad. She is UNICEF's goodwill ambassador in the cause of HIV/AIDS, works for the cor-neally challenged at the Venu Eye Institute, and is a Board member of the PSB trust.	Mr. Anajit Singh is the Founder & Chairman of the Max Group, a US\$ 3 billion multi business enterprise, with interests in life insurance (Max Life), health care (Max Healthcare), health insurance (Max Bupa), real estate (Max Estates), senior living (Antara) and speciality packaging (Max Speciality Films). Max Group is renowned for service excellence and has successful joint ventures with some of the pre-eminent firms including Mitsui Sumitomo and Toppan from Japan, Life Healthcare from South Africa and Bupa Plc from the United Kingdom. Earlier partners include DSM, Netherlands; New York Life Insurance Company; Hutchison Whampoa; Motorola; Lockheed Martin and others. Amongst privately held family businesses, Mr Anajit Singh is the founder of Leeu Collection, a group of leisure boutique hotels in Franschoek, South Africa; The Lake District, UK; and soon to be opened in Florence, Italy. Leeu Collection also includes a significant presence in wine and viticulture through Mullineux Leeu Family Wines; an active F&B portfolio of restaurants in partnership with Azure Hospitality, Ritu Dalmia, The La Colombe Group in Cape Town , SA and the Alajimo Group in Italy. Art and Landscaping are significant differentiators in the hospitality businesses aided by a strong relationship with Everard Read, SA and Franchessa Watson. A self-made entrepreneur, Mr Anajit Singh was awarded the Padma Bhushan, India's third highest civilian honour, by the President of India in 2011. An alumnus of The Doon School and Shri Ram College of Commerce, University of Delhi, Mr Anajit Singh holds an MBA from Graduate School of Management, Boston University. He has been conferred with an honorary doctorate by Amity University, Professionally, he is the non-executive Chairman of multiple Max Group companies - Max Financial Services, Max India, Max Ventures & Industries, Max Life and Antara Senior Living. He is also a Director on the Board of Sofina NV/ SA, Belgium. Till October 2018, he was the non-executive Chairman of Vodafone India. Mr Anajit Singh is a member of the Founder Executive Board of the Indian School of Business (ISB), India's top ranked B-School and has served as Chairman of Board of Governors of Indian Institute of Technology (IIT), Roorkee - India's oldest and most prestigious engineering college and Doon School, a premier Indian boarding school.	Mrs. Tara Singh Vachani is the MD & CEO of Antara Senior Living Limited, a wholly owned Subsidiary of the Company. She is driven by the passion to create an enriching and fulfilling lifestyle for seniors that is unique to India. Her knowledge is backed by over 3 years of extensive research of senior living communities. Before creating Antara, Mrs. Tara Singh Vachani worked with the Corporate Development team at Max India Ltd. She has also been actively engaged in philanthropy through her involvement with Max India Foundation, the CSR arm of the Group. Tara is a Non-Executive Director on the Board of Max India Ltd., the parent company of Max Healthcare Institute Limited, Max Bupa Health Insurance Company Limited and Antara Senior Living Limited. Additionally, she is also a Director at Max Healthcare. She is actively involved in The Leeu Collection which is her family's international hospitality business with hotels in U. K., South Africa and Italy.	Mr. Ashwani Windlass was part of the founding team at old Max India, having served the Max Group in different capacities including as its Joint MD as well as MD, Hutchison Max Telecom from 1994 until 1998. He has continued as a Board member of the Company ever since. He has been the Chairman, MGRM (Asia-Pac) and Vice Chairman, and the MD of Reliance Telecom. He serves on leading advisory and statutory Boards, including MGRM Inc., USA, Hitachi MGRM Net Ltd., Vodafone Idea Ltd. Hindustan Media Ventures Ltd and Jubilant Foodworks Ltd.

	<p>Mr. K. N. Murthy, has previously held board positions at Oil and Natural Gas Corporation Ltd., IDBI Bank Ltd., LIC Housing Finance Ltd., UTI Bank Ltd., Unit Trust of India, AP State Finance Corporation, NABARD Board of Supervision, among others.</p>	<p>She gives general support for socio-cultural and community projects, e.g. communal harmony and for "Katha", and organization for under-privileged women and children that translates regional literature into English. In 2013, she was awarded Padma Bhushan by the Government of India.</p>	<p>He has been felicitated by Senator Hillary Clinton, former US Secretary of State, on behalf of the Indian American Centre for Political Awareness for his outstanding achievement in presenting the international community with an understanding of a modern and vibrant India and for creating several successful joint ventures with leading American companies and promoting business ties with the USA.</p> <p>He has been honoured with the Ernst and Young Entrepreneur of the Year Award (Service Category) and the Golden Peacock Award for Leadership and Service Excellence. In 2014, he was awarded with Spain's second highest civilian honour, the Knight Commander of the Order of Queen Isabella and the Distinguished Alumni Award from Boston University. He also served as the Honorary Consul General of the Republic of San Marino in India.</p>	<p>Tara has a diverse academic background and learning. She majored in Politics and South Asian studies at the National University of Singapore followed by courses in Strategy Management at the London School of Economics, and Hospitality Business Strategy and Management at Ecole hôtelière de Lausanne, Switzerland.</p> <p>Tara is the youngest child of Mr. Anajit Singh, a well-known business leader and visionary, and she is married to Mr. Sahil Vachani.</p>	<p>He holds degrees in B.Com (Gold Medal), Bachelor of Journalism and MBA from Faculty of Management Studies, Delhi University.</p>
<p>Directorships in other Listed Companies</p>	<p>As mentioned in Report on Corporate Governance.</p>				
<p>Committee memberships in other Public Limited Companies</p>	<p>STCI Finance Limited</p> <ul style="list-style-type: none"> - Audit Committee (Chairman) - Credit Investment Committee (Member) - CSR Committee (Member) - Inifiti Retail Limited - Nomination and Remuneration Committee (Member) - CSR Committee (Member) - Audit and Ethics Committee (Member) - Saket City Hospitals Private Limited - Audit Committee (Chairman) - Nomination and Remuneration Committee (member) - Max Life Insurance Company Limited - Audit and Ethics Committee (Chairman) - Nomination and Remuneration Committee (member) - Risk Management Committee (Chairman) - With Profit Committee (Chairman) - Max Bupa Health Insurance Co. Ltd - Audit and Ethics Committee (Chairman) - Nomination and Remuneration Committee (Chairman) - Risk Committee (member) 	<p>Antara Senior Ltd</p> <ul style="list-style-type: none"> - Audit Committee (member) - Nomination & Remuneration Committee (Member) 	<p>Nil</p>	<p>Max Healthcare Institute Limited</p> <ul style="list-style-type: none"> - Investment & Performance Review Committee (Member) - Medical Excellence & Compliance Committee (member) - Service Excellence Committee (member) - Scientific Projects & Technology Committee (member) 	<p>Max Financial Services Limited</p> <ul style="list-style-type: none"> - Stakeholders' Relationship Committee (Chairman) - Investment & Finance Committee (Chairman) - Nomination and Remuneration Committee (Member) - CSR Committee (Member) - Risk and Compliance Review Committee (Member) - Hindustan Media Ventures Limited - Audit Committee (Chairman) - Nomination and Remuneration Committee (Chairman)

	<ul style="list-style-type: none"> - Max Speciality Films Limited - Audit Committee (Chairman) - Nomination and Remuneration Committee (Member) - CSR Committee (Chairman) - Max Ventures and Industries Limited - Nomination and Remuneration Committee (Chairman) - Investment & Finance Committee (member) - Audit Committee (member) - Max Healthcare Institute Limited - Audit Committee (Chairman) - Nomination and Remuneration Committee (member) 	<ul style="list-style-type: none"> - SRK Travel and Tours Pvt. Ltd. - Dolphin Fisheries and Trading Pvt. Ltd - Antara Senior Living Limited 	<ul style="list-style-type: none"> - Max Life Insurance Company Limited - Antara Senior Living Limited, - Indian School of Business, - Delhi Guest Houses Private Limited, - Max Ventures Investment Holdings Private Limited, - Piveta Estates Private Limited, - Max Ventures Private Limited, - PVT Ventures Private Limited, - Siva Realty Ventures Private Limited, - SKA Diagnostic Private Limited - SOFINA, Belgium - Drugyel Estates Pvt. Ltd., Bhutan - LGO Pte. Ltd - Varana Global Holdings Limited - Leeu Holdings Limited, Cyprus - Leeu London Limited - Leeu Marketing International Ltd. - The Unstuffy Hotel Co Ltd. 	<ul style="list-style-type: none"> - Antara Senior Living Limited - Antara Purokul Senior Living Ltd - Antara Gurgaon Senior Living Ltd - Seven Heaven Buildmart Private Limited - Siva Realty Ventures Private Limited - Siva Enterprises Private Limited - Max Healthcare Institute Ltd - Rama Krishna Cold-Chem Ltd - SKA Diagnostic Private Limited - Leeu Holdings Ltd, Cyprus - LGO Pte. Ltd. 	<p>Vodafone Idea Limited</p> <ul style="list-style-type: none"> - Audit Committee (Chairman) - Risk Management Committee (Member) - Capital Raising Committee (member) - Jubilant Foodworks Limited - Audit Committee (Chairman) - Sustainability & CSR Committee (member) - Risk Management Committee
<p>Directorships in other Companies (unlisted Companies)</p>	<ul style="list-style-type: none"> - Srikari Management Consultants P. Ltd. - Max Bupa Health Insurance Co. Ltd. - STCI Finance Limited - Infiniti Retail Ltd - Max Life Insurance Company Limited - Max Speciality Films Ltd - Saket City Hospitals Pvt. Ltd - Max Healthcare Institute Limited 	<p>Nil</p>	<p>58,76,789 Equity Shares</p>	<p>1,00,000 Equity Shares</p>	<p>1,62,850 Equity Shares</p>
<p>Equity Shareholding in the Company (as on date)</p>	<p>1000 Equity Shares</p>	<p>Nil</p>	<p>Nil</p>	<p>Nil</p>	<p>Nil</p>
<p>Related to any other Director / KMP of the Company</p>	<p>Nil</p>	<p>Nil</p>	<p>Mr. Anajit Singh is the father of Mrs. Tara Singh Vachani, Non-executive Director of the Company.</p>	<p>Nil</p>	<p>Nil</p>
<p>Date of Appointment on Board</p>	<p>December 24, 2018</p>	<p>February 26, 2019</p>	<p>April 1, 2019</p>	<p>January 15, 2016</p>	<p>January 15, 2016</p>
<p>Remuneration Last Drawn</p>	<p>Only sitting fees paid to Non Executive Directors for attending the Board and Committee meetings and the same have been reported in the Corporate Governance Report.</p>				
<p>Number of Meetings of Board attended during the year</p>	<p>As mentioned in Report on Corporate Governance.</p>				

ROUTE MAP FOR AGM

Venue: 419, Bhai Mohan Singh Nagar, Village Railmajra, Tehsil Balachaur
District Nawanshahr, Punjab – 144 533



MAX INDIA LIMITED

CIN : L85100PB2015PLC039155



Registered office : 419, Bhai Mohan Singh Nagar, Village Railmajra, Tehsil Balachaur,
District Nawanshahr, Punjab -144 533, **Telephone** : 01881-462000, 462001 Fax : 01881- 273607

Website : www.maxindia.com, **E-mail** : investorhelpline@maxindia.com

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REMOTE ELECTRONIC VOTING PARTICULARS

EVEN (Electronic Voting Event Number)	USER ID	PASSWORD/PIN	NO. OF SHARES

The e-voting facility will be available during the following voting period:

Commencement of e-voting	From 9.00 a.m. (IST) on Monday, July 29, 2019
End of e-voting	Upto 5.00 p.m. (IST) on Thursday, August 1, 2019

The cut-off date for the purpose of e-voting is Friday, July 26, 2019.

Please refer to the attached AGM Notice for instructions on E-Voting.

----- TEAR HERE -----

MAX INDIA LIMITED

CIN : L85100PB2015PLC039155



Registered office : 419, Bhai Mohan Singh Nagar, Village Railmajra, Tehsil Balachaur,
District Nawanshahr, Punjab -144 533, **Telephone** : 01881-462000, 462001 Fax : 01881- 273607

Website : www.maxindia.com, **E-mail** : investorhelpline@maxindia.com

ATTENDANCE SLIP

Regd. Folio No. / DP ID – Client ID : _____

Name & Address of First/Sole Shareholder : _____

Name of Proxy holder : _____

Number of Shares Held : _____

I hereby record my presence at the 4th ANNUAL GENERAL MEETING of Max India Limited held on Friday, August 2, 2019 at 11.00 a.m. at the Registered Office of the Company at 419, Bhai Mohan Singh Nagar, Village Railmajra, Tehsil Balachaur, Nawanshahr, Punjab - 144 533.

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

Notes:

Signature of Member/Proxy

1. Members/Proxy holders are requested to produce the attendance slip duly signed for admission to the Meeting hall.
2. Members are requested to bring their copy of Annual Report for reference at the Meeting.

Form No. MGT-11 PROXY FORM
 [Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies
 (Management and Administration) Rules, 2014]

CIN : L85100PB2015PLC039155

MAX INDIA LIMITED



Registered office : 419, Bhai Mohan Singh Nagar, Village Railmajra, Tehsil Balachaur,
 District Nawanshahr, Punjab -144 533, **Telephone :** 01881-462000, 462001 Fax : 01881- 273607

Website : www.maxindia.com, **E-mail :** investorhelpline@maxindia.com

Name of the Member(s) :
Registered address :
E-mail ID :
Regd. Folio No. / DP ID-Client ID :

I/We, being the member(s) holding shares of the above named Company, hereby appoint

- (1) Name :
 Address:
 E-mail id: Signature _____, or failing him;
- (2) Name :
 Address:
 E-mail id: Signature _____, or failing him;
- (3) Name :
 Address:
 E-mail id: Signature _____

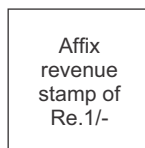
as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the 4th Annual General Meeting of the Company, to be held on Friday, August 2, 2019 at 11.00 a.m. at Registered Office of the Company at 419, Bhai Mohan Singh Nagar, Village Railmajra, Tehsil Balachaur, District Nawanshahr Punjab - 144 533 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Resolutions	Optional (✓)	
		For	Against
Ordinary Business			
1.	Receive, consider and adopt : a) The Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2019, the reports of the Board of Directors and Auditors thereon; and b) The Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2019 and the reports of Auditors thereon.		
2.	Re-appointment of Mrs. Tara Singh Vachani (DIN: 02610311) as a director liable to retire by rotation.		
3.	Re-appointment of Mr. Ashwani Windlass (DIN: 00042686) as a director liable to retire by rotation.		
Special Business			
4.	Appointment of Mr. K. Narasimha Murthy (DIN: 00023046) as an Independent Director of the Company.		
5.	Appointment of Mrs. Sharmila Tagore (DIN: 00244638) as an Independent Director of the Company.		
6.	Appointment of Mr. Analjit Singh (DIN: 00029641) as a Director of the Company, not liable to retire by rotation.		
7.	Approval of divestment of the entire equity shareholding held by the Company in Pharmax Corporation Limited, a material subsidiary of the Company.		
8.	Approval of Material Related Party Transaction between the Company and M/s. Max Estates Limited.		

Signed this----- day of----- 2019

Signature of Shareholder-----

Signature of Proxy holder(s) -----



Note:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
- A member entitled to attend and vote is entitled to appoint a proxy to attend and to vote on poll instead himself/herself. A proxy need not be a member.
- Signatures of member should be across a Revenue Stamp of Re. 1.
- Please put a tick (✓) mark in the Box in the appropriate column against the respective resolutions. It is optional to indicate your preference. If you leave the "For" and "Against" columns blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.