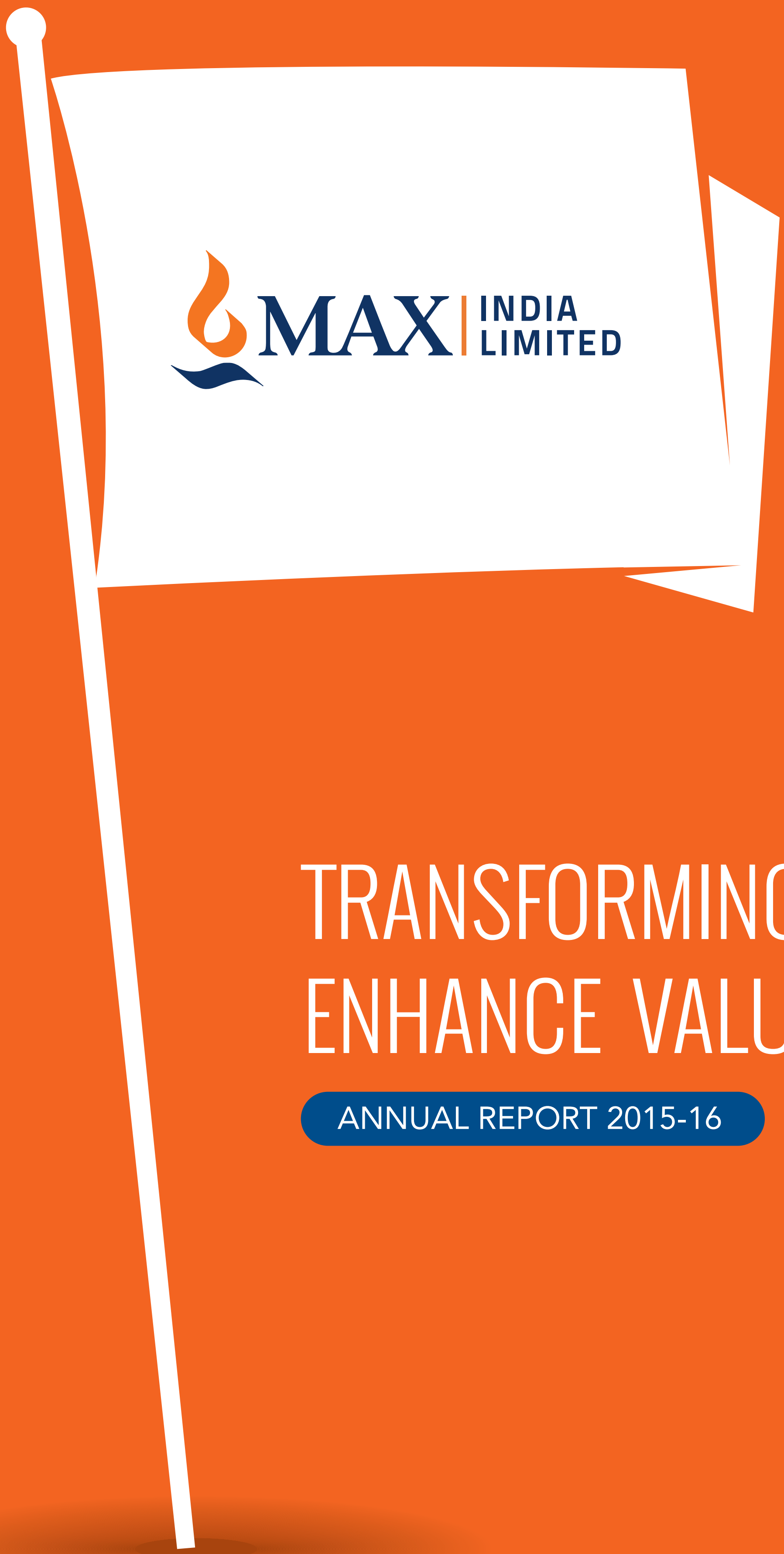

TRANSFORMING TO ENHANCE VALUE

ANNUAL REPORT 2015-16

MAX INDIA LIMITED

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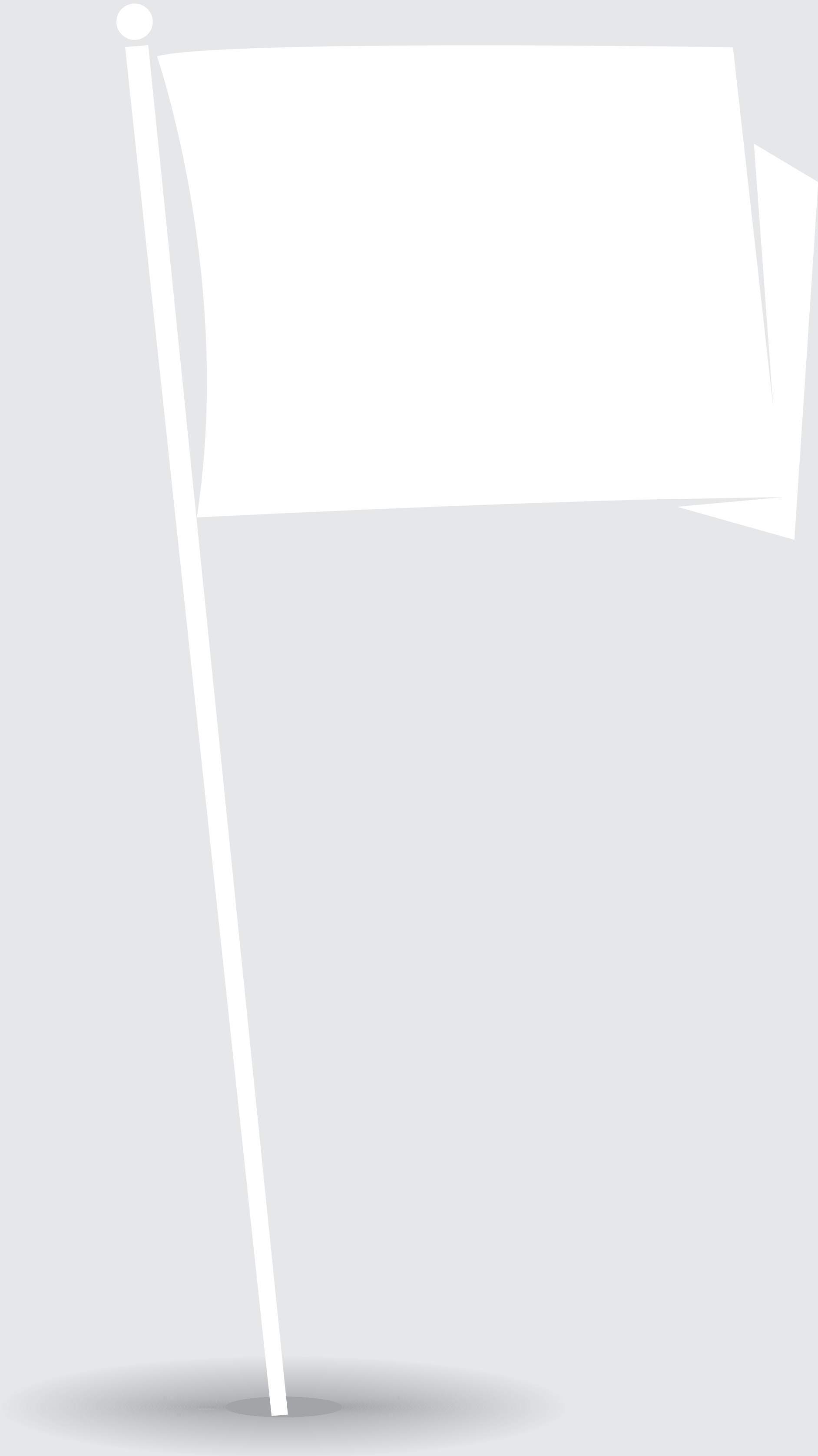

01

CORPORATE REVIEW

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OUR ENTERPRISE

MAX | INDIA LIMITED

Max India Limited, a multi-business corporate, owns and actively manages a 46% per cent stake in Max Healthcare, a 51% stake in Max Bupa Health Insurance and a 100% stake in Antara Senior Living.

MAX HEALTHCARE

Launched in 2000, Max Healthcare is an equal JV partnership between Max India and Life Healthcare, South Africa. It is a leading provider of standardised, seamless and world-class healthcare services, focused on tertiary and quaternary care. Max Healthcare Network has revenues of ₹ 2,181 crore from over 2,500 beds across 14 hospitals.

MAX Bupa HEALTH INSURANCE

Launched in 2008, Max Bupa is a 51:49 JV with Bupa Finance Plc., UK. It is one of India's leading standalone health insurance companies with Gross Premium of ₹ 476 crore, about 13,000 agents and tie-ups with over 3,600 quality hospitals across over 350 cities in India.

ANTARA SENIOR LIVING

Launched in 2013, Antara is a 100% subsidiary of Max India. It is pioneering the concept of 'Age in Place' for people over 55, by developing Senior Living communities in India. The first Antara community will open in late 2016 near Dehradun, Uttarakhand.

MAX | FINANCIAL SERVICES

Max Financial Services owns and actively manages a majority stake in Max Life Insurance Company Limited, making it India's first listed Company focused exclusively on life insurance. Max Life is a joint venture with Mitsui Sumitomo Insurance (MSI), a Japan headquartered global leader in life insurance.

MAX LIFE INSURANCE

Launched in 2000, Max Life is a joint venture with MS&AD, Japan. It is India's largest non-bank private life insurer, with revenues of ₹ 9,216 crore and a customer base of 3.8 million across 215 offices in 138 cities in India.

MAX | VENTURES & INDUSTRIES

Max Ventures & Industries is the holding Company for Max Speciality Films and serves as the Group's entrepreneurial arm to explore the 'wider world of business', especially taking cues from the economic and commercial reforms agenda of the present Government, including 'Make in India', 'Skill India', 'Digital India', among others.

MAX SPECIALITY FILMS

Launched in 1988, Max Speciality Films is a subsidiary of MaxVIL, based in Railmajra, Punjab. It is a leading manufacturer of speciality packaging films, with revenues of ₹ 710 crore

MAX ESTATES

Max Estates will leverage the Max Group's in-house experience in activities aligned with Real Estate and its access to the sponsor's private and Group land bank. The Company has already commenced work on our maiden project in Dehradun.

Max I. Limited

Max I. Ltd, a fully owned subsidiary, will provide intellectual and financial capital to early-stage organizations, with sound business models and proven revenue stream, across identified sectors.

Education Vertical

MaxVIL's Education vertical recognises the gap in provision of quality education in India and views this as a genuine opportunity not merely in terms of business but also in terms of making a significant positive social impact.

MAX | INDIA FOUNDATION

Launched in 2008, Max India Foundation (MIF) represents the Max Group's social responsibility aspirations. The Foundation's work is focussed on healthcare for the underprivileged and has benefitted over 17,00,000 people in over 600 locations since its inception.

MEASURES OF SUCCESS

Max India Limited
Equity shares listed on the
BSE and the **NSE** w.e.f. July 14, 2016

26% CAGR
in **Max Healthcare**
revenues since FY 2011

Treasury corpus of
₹ 367 crore*

Focus on
high growth and
under-penetrated sectors

Max Bupa
reaches over
1 million retail
customers

Antara Dehradun
community set to commence
operations in Q3 FY 2017

* As at June 30, 2016

Growth numbers calculated against restated numbers for previous year for like to like comparison

Max Healthcare
turns profitable,
PAT at ₹ **10 crore**

Max Bupa GWP
grows at a strong **28%**

2 Major Hospital
acquisitions in Delhi/NCR provide a platform to more than double bed capacity to over at **5,000 beds**

Strong and deepening relationships with our **Joint Venture Partners Life Healthcare and Bupa**

Investor base comprising marquee global financial institutions such as **Goldman Sachs, IFC Washington, Temasek, Fidelity, New York Life, Nomura and Invesco**

Benefitted over **17 lakh** lives in **580 locations** across India through Max India Foundation

OUR PATH

Our Vision

To be the most admired Company for health and life care needs of its customers, patients and their families.

Our Mission

Be the most preferred category choice for customers, patients, shareholders and employees

Deliver exceptional and ever changing standards of medical and service excellence

Operate to uncompromising ethical standards consistently

Lead the market in quality and reputation

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.

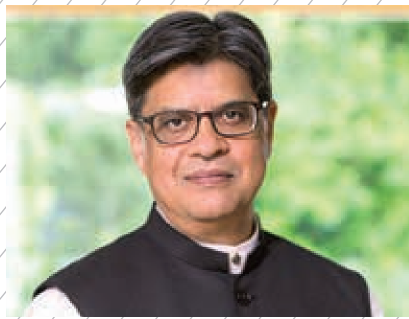
BOARD OF DIRECTORS

DR. S. S. BAIJAL
Mentor

Dr. 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 1998 till 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.

MR. ANALJIT SINGH
Founder & Chairman Emeritus

Mr. Analjit Singh is the Founder and Chairman Emeritus, Max Group, and Chairman of Max Ventures & Industries and Antara Senior Living. An industry statesman, he was awarded the Padma Bhushan, one of India's top civilian honours in 2011. He is also the Chairman of Vodafone India, and is on the Board of Tata Global Beverages and Sofina NV/SA, Belgium. He has significant interests in real estate in India and lifestyle related ventures in the Western Cape, South Africa, pertaining to viticulture, wine making and hospitality. Mr. Analjit Singh is a member of the Founder Executive Board of the Indian School of Business (ISB) and has served as Chairman of Board of Governors of the Indian Institute of Technology (IIT), Roorkee. He was awarded the Ernst and Young Entrepreneur of the Year Award (Service Category) in 2012 and the US India Business Council Leadership Award in 2013. In 2014, he was awarded with Spain's second highest civilian honour, the Knight Commander of the Order of Queen Isabella. He is an alumnus of Doon School and Shri Ram College of Commerce (SRCC), Delhi University, and holds an MBA from Boston University. He also serves as the Honorary Consul General of the Republic of San Marino in India.



MR. RAHUL KHOSLA
Chairman

Mr. Rahul Khosla is a seasoned business leader with deep management experience, broad leadership skills and wide business perspectives developed over the last 30 years of working in India and globally. He is currently President, Max Group, Executive President, Max Financial Services, Chairman, Max India, Max Life and Max Healthcare. Under his leadership, the Max Group has delivered superior financial performance, significantly grown market capitalization, and concluded seminal corporate transactions. He led the mega-restructuring of the erstwhile Max India into three new listed entities and is currently spearheading the proposed merger of Max Life and Max Financial Services with HDFC Life, which will result in the creation of India's largest private life insurance company. Before joining Max, Mr. Khosla spent 11 years based in Singapore as the Group Head of Products at Visa Inc for Asia Pacific, Central Europe, Middle East and Africa, following his role at Visa Inc as Chief Operating Officer for the Asia Pacific region. He held several senior roles prior to this – as Country Head for ANZ Grindlays' consumer banking businesses in India; Head of Retail Assets, Strategy, Finance and Legal at Bank of America.

MR. MOHIT TALWAR
Managing Director

Mr. Mohit Talwar is the Managing Director of Max Financial Services and Max India, and Vice Chairman of Max Ventures & Industries Limited. In addition, he is the Chairman of Max Speciality Films and serves on the Boards of Max Life Insurance, Max Healthcare, Max Bupa and Antara Senior Living. In his tenure with the Max Group, he has 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 the Group's life insurance business, Life Healthcare's investment of 26% in Max Healthcare, and later the equalization of its stake in the business. In his new role, Mr. Talwar has been instrumental in completing the mega-restructuring of the erstwhile Max India into three new listed companies, which received a significantly positive reaction from the capital markets. Currently, he is closely involved with the execution of a three-way merger of Max Life Insurance Company and Max Financial Services with HDFC Standard Life to create India's largest private life insurance company.

MR. ASHOK KACKER
Independent Director

Mr. Ashok 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 Executive Director with 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.

MR. ASHWANI WINDLASS
Non-Executive 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 continued to be a Board member of the erstwhile Max India till January 2016. 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 acting as Chairman SA&JVs, MGRM Holdings Inc., USA, and ember at Antara Senior Living Limited, Max Ventures Pvt. Ltd. Vodafone India Ltd. and Hindustan Media Ventures Ltd. He holds degrees in B.Com (Gold Medal), Bachelor of Journalism and MBA.

BOARD OF DIRECTORS

PROF. DIPANKAR GUPTA
Independent Director

Professor Gupta has spent 3 decades at JNU as faculty and is considered among India's foremost authority on Indian Sociology. He was till recently a member of the Board of the RBI, NABARD, National Standards Broadcasting Authority, and the Doon School. He started the Business Ethics and Integrity Division of KPMG, India, which he led until 2003 and then served as its Senior Advisor. He is the author and editor of 18 books including, "The Caged Phoenix: Can India Fly?" re-published by Stanford University Press. His most recent book is titled "Revolution from Above: India's Future and the Citizen Elite. He was awarded Chevalier De L'Ordre des Artset des Lettres (Knight of the Order of Arts and Letters) by the French Government. Professor Gupta served for three years till 2015 as Distinguished Professor in Shiv Nadar University.

MR. N.C. SINGHAL
Independent Director

Mr. N.C. Singhal has an experience of over 3 decades in the banking industry and was the founder CEO, designated as the Vice-Chairman & Managing Director, of erstwhile SCICI Limited. He has also been associated with ICICI Ltd., ONGC, ADB, Manila and was deputed by the Government of India to the Industrial Development Bank of Afghanistan, Kabul. Mr. Singhal holds degrees in M.A. (Economics), M.Sc. (Statistics) and PGDPA.

MR.SANJEEV MEHRA
Non-Executive Director

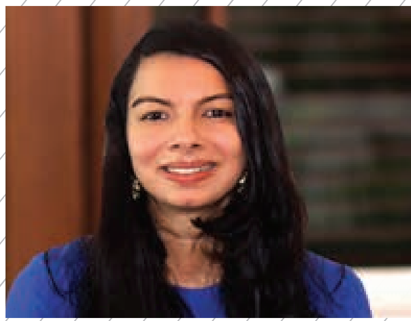
Mr. Sanjeev Mehra is Managing Director and Vice Chairman of global private equity investing at Goldman, Sachs & Co. He serves on the Board of ARAMARK Corporation, Sigma Electric, Suja Juice LLC., TVS Logistics, Neovia Holdings and as a Trustee of Oakham School Foundation, Friends of the Doon School. He holds a BA in Economics from Harvard College and an MBA from Harvard Business School.

MS. TARA SINGH VACHANI
Non-Executive Director

The CEO and Managing Director of Antara Senior Living, Ms. Tara Singh Vachani holds a thorough understanding of senior living. Her knowledge is backed by over three years of extensive research of senior living communities in India and Internationally. Tara is the youngest member to join the board of Max India as the non-executive director. Before venturing into senior living, she worked with the Corporate Development team at the erstwhile consolidated Max India Ltd being actively engaged in philanthropy through her involvement with Max India Foundation.

She majored in Politics and South Asian studies at the National University of Singapore followed by courses from renowned institutions like London School of Economics and Management at Ecole hotelier de Lausanne, Switzerland.

Ms. Vachani is the youngest child of Mr. Analjit Singh, a well-known business leader and visionary. She is married to Mr. Sahil Vachani and lives in Delhi.



MS. LAVANYA ASHOK
Alternate Director*

Ms. Lavanya Ashok is an Executive Director in the Principal Investment Area (private equity investing effort) of Goldman, Sachs & Co. She also serves on Goldman Sachs's India Diversity Committee. Ms. Ashok currently focuses on investments across sectors including financial services, consumer, healthcare, agri, logistics, and infrastructure. She sits on the Boards of Nova Medical Centers, Azure Hospitality, Pepperfry and Global Consumer Products Pvt. Ltd. Earlier, she worked as an investment associate at SPO Partners & Company, a $10 bn California-based hedge fund focused on value-oriented investing. Ms. Ashok earned a BS in Economics and Finance summa cum laude from The Wharton School at the University of Pennsylvania in 2004 and an MBA in 2010 from Stanford University where she was a Barrett Fellow and President of the South Asia Students' Association.

*** Alternate Director to Mr. Sanjeev Mehra**

BOARD OF DIRECTORS

MAX HEALTHCARE INSTITUTE LIMITED

Mr. Rahul Khosla	Chairman – Non-Executive Director
Mr. Mohit Talwar	Non-Executive Director
Dr. Omkar Goswami	Independent Director
Mr. K. Murthy Narasimha	Independent Director
Mr. Rajit Mehta	CEO & Managing Director
Dr. Ajit Singh	Non-Executive Director
Dr. Pradeep Kumar Chowbey	Executive Vice Chairman
Mr. Andre Meyer	Non-Executive Director
Ms. Madhabi Puri Buch	Independent Director
Mr. Petrus Phillippus Van Der Westhuizen	Non-Executive Director

MAX BUPA HEALTH INSURANCE COMPANY LIMITED

Mr. Rajesh Sud	Chairman
Mr. David Martin Fletcher	Co-Vice Chairman
Mr. Rahul Khosla	Co-Vice Chairman
Mr. Ashish Mehrotra	CEO & Managing Director
Ms. Evelyn Brigid Bourke	Non-Executive Director
Mr. John Howard Lorimer	Non-Executive Director
Mr. K. Narasimha Murthy	Independent Director
Mrs. Marielle Theron	Non-Executive Director
Mr. Mohit Talwar	Non-Executive Director
Mr. Pradeep Pant	Independent Director

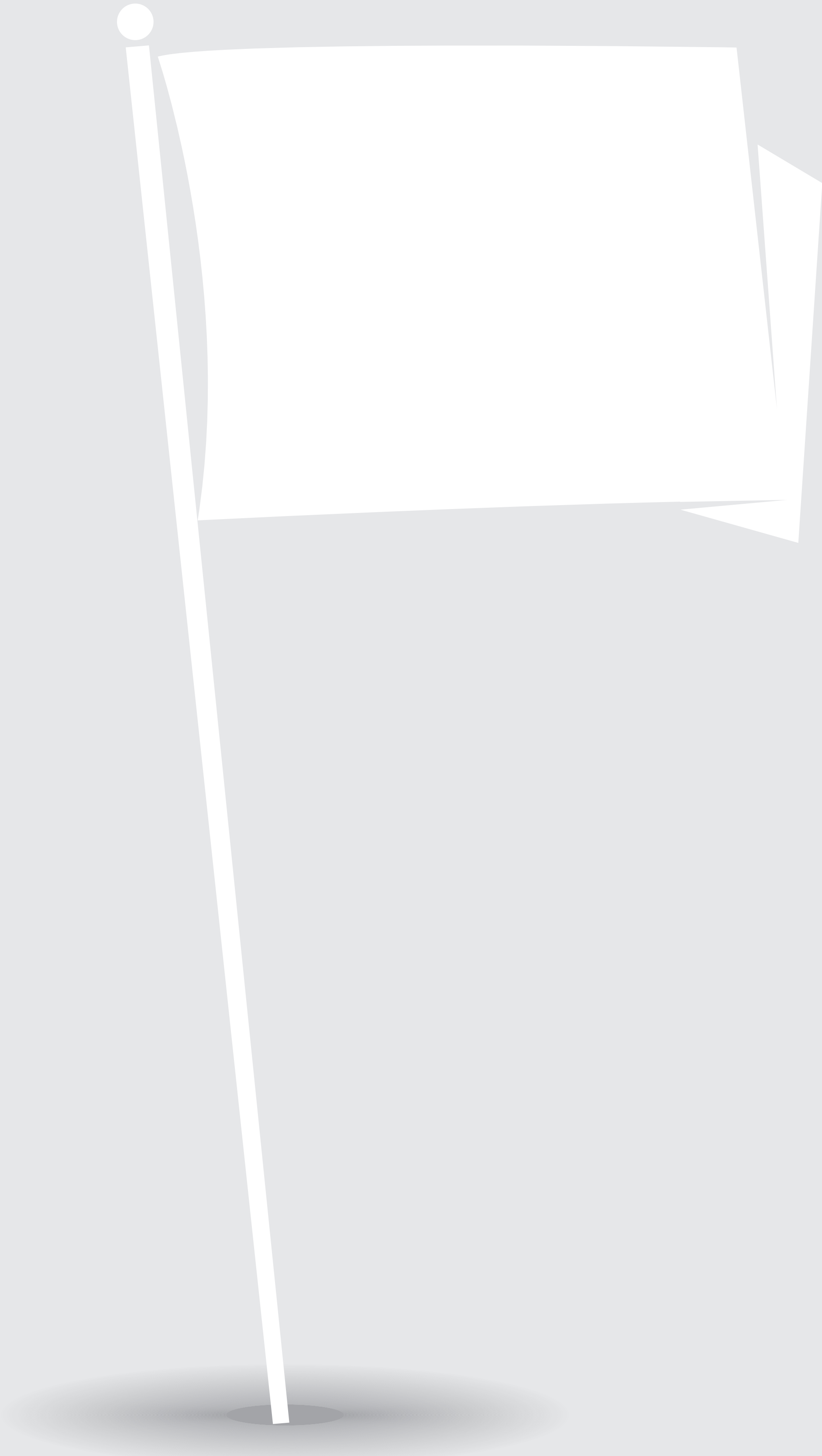
BOARD OF DIRECTORS

ANTARA SENIOR LIVING LIMITED

Mr. Analjit Singh	Chairman
Mrs. Tara Singh Vachani	Managing Director
Mr. Ashwani Windlass	Non-Executive Director
Mr. Hector De Galard	Non-Executive 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 Tagore	Independent Director
Dr. Shubhnum Singh	Non-Executive Director

MAX INDIA FOUNDATION - BOARD OF TRUSTEES

Mr. Analjit Singh	Managing Trustee
Ms. Archana Pandey	Trustee
Mr. P Dwarakanath	Trustee
Mr. Rajesh Sud	Trustee
Mr. Rajit Mehta	Trustee
Dr. S. K. S. Marya	Trustee
Ms. Sujatha Ratnam	Trustee



02

STRATEGIC REVIEW

CHAIRMAN'S LETTER

Dear Shareholders,

As I write this to you, the Max Group is poised to embark on a new chapter in its history following a year of defining transformation aimed at unlocking, driving and enhancing shareholder value in its key business verticals.

These 12 months of momentous change included Max Healthcare's marquee acquisitions in Delhi/ NCR, Bupa's stake increase to 49% which confirmed the huge growth opportunity for health insurance in India, Max Bupa's Bancassurance tie-up with Bank of Baroda, and, most significantly, the Demerger of Max India, which has led to the formation of three new entities – Max Financial Services, Max India and Max Ventures and Industries.

The 'new' Max India is, in most ways, a clear reflection of the old Max India – with the same hunger for growth, the same business vision and values, high performance culture and ethos of responsible leadership. It also stays true to its binding corporate ethos and continues to remain close-knit and synergistically aligned with other entities in the Group.

What is different, however, is a far more sharply focused and streamlined corporate structure that is geared towards leveraging the underlying strength and potential of our businesses and positioning them to deliver stellar performance going forward. The demerger also signals Max India's commitment to high standards of transparency and governance supported by a bedrock of core values to achieve industry leadership in each of our businesses. Our vision remains the same - to be the most admired corporate for service excellence.

While we knew we had your full support for the Demerger, given the 99% approval vote granted to the Demerger Scheme, this view was further cemented when Max India listed on the stock exchanges at an opening price of ₹ 180. With the listing of all three companies now complete, the Demerger has created an incremental value of about ₹ 3,500 crore compared to the pre-demerger "sum of parts" valuation.

The restructuring will also enable more accurate value discovery for our high-potential health-related businesses – Max Healthcare, Max Bupa and Antara Senior Living. As you will read further in this letter, there is immense scope for growth and great potential in the industries in which these companies operate as well in as the companies themselves.

Before I comment on the health and outlook of Max India's underlying businesses, it is important to step back for a moment and take a brief survey of the current healthcare business environment in India.

Industry Overview: Health & Allied Businesses

The rise of a new India has to be built on the foundation of a healthy nation. The socio-economic benefit of a robust healthcare ecosystem not only accrues to the sector itself, but also manifests itself in the creation of a more vibrant and productive community.

We have to ensure that we collaborate productively with the Government and other private healthcare providers to develop a cohesive blueprint for healthcare provision and funding.

Healthcare penetration in India is extremely low compared to global standards. At present India has approximately 0.65 doctors per 1,000 people – much lower than the WHO benchmark of 2.5 physicians per 1,000 population. Again, 80% of this workforce is in urban areas serving around 30% of the population. Similar numbers exist for other healthcare workers such as nurses and paramedics. This translates to a 2 million gap in bed capacity and 2 million gap in doctor availability. Though this may present a somewhat grim picture of the Indian healthcare system, we view it as a huge opportunity for us to change the landscape of Indian healthcare.

Myriad challenges reflect a multitude of opportunities, and now is an opportune moment for all stakeholders involved to transform India's healthcare ecosystem.

The current Government has shown a willingness to encourage public-private partnerships and we need to take this one step further by developing a healthcare-specific PPP framework standardising agreements across all modes of engagement and a monitoring framework that focuses on outcomes over pricing, reviews ongoing projects enables monitoring of healthcare service quality through regular tracking of metrics.

Much like healthcare, the Indian health insurance sector continues to remain a fundamentally attractive industry with annual growth projections of approximately 15% over the next five years and the industry is expected to double from the current levels of ₹ 25,000 crore, fueled by multiple demand drivers that include rising incomes.

The industry is gradually shifting toward business-to-consumer (B2C) as witnessed over the last few years and is expected continue this trend. The B2C segment is the fastest-growing segment with a Compound Annual Growth Rate (CAGR) of 25% over the last five years.

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.

Operating Businesses – Highlights

Max India demerged into three legal entities to create focused growth and unlock value in each business vertical. Apart from being in hugely underpenetrated sectors with high growth potential (as evident from the listing price of ₹ 180 of the new Max India stock in July 2016), these businesses also happen to be in the growth phases of their respective journeys and represent a unique investment opportunity and a resilient business model. For instance:

Max Healthcare: Two material acquisitions in the National Capital Region (NCR) have led to a 70% expansion in current capacity – and represent the first inorganic acquisitions in the history of MHC. The first was the Pushpanjali Crosslay Hospital in Vaishali in East Delhi which resulted in a very smooth and swift integration. The second was even more "life changing" for MHC – the acquisition of the operating rights for Saket City Hospital, now renamed Max Smart Super Speciality Hospital and which represents an opportunity to create one of Asia's top tertiary and quaternary care "Medicities" in the heart of South Delhi (and virtually contiguous with Max Healthcare's flagship hospital in Saket) with a capacity of some 1,800 beds when fully built.

While integration of the newly acquired hospitals may put interim strain on profitability, the focus currently is on achieving breakeven in these hospitals in the coming financial year by aligning systems, processes and removing inefficiencies, plugging revenue leakages and instilling quality standards and service excellence on par with our best hospitals

Max Bupa: With a steadily expanding network of about 13,000 agents across the country and 26 offices across 16 cities, Max Bupa has grown consistently and rapidly, by more than doubling its retail customer base over the past three years.

The business reported a 28% growth in revenues as well as Profit Before Tax (PBT) this year. MBHI also achieved the significant milestone of having 1 million retail customers towards the end of FY 2015-16.

Heartbeat Health Insurance Plan was recognized as Innovation of the Year at the Golden Peacock Awards 2015 for its industry-first features such as coverage for 14 relationships in a single family and cashless treatment for critical illnesses abroad – reinforcing its position as an industry leader in innovation. Max Bupa – with a new leader on board – has recently signed a bancassurance contract with Bank of Baroda – adding to its already impressive market-leading roster of bancassurance relationships. Signaling great confidence in the industry and the partnership with Max, Bupa Plc reaffirmed their commitment to the business and raised their stake from 26% to 49% - the first such stake increase to be announced after the Govt relaxed FDI rules for insurance.

Antara Senior Living is on the verge of launching its maiden project in Dehradun and is on track to initiate possession handover by the end of 2016. More than 40% of its units have already been sold.The quality of the Antara team, its efforts and the end product that will be launched will make us all at Max India very proud. I have no doubt that Antara will earn a well deserved reputation for being the quintessential brand that defines the highest quality senior living services in India.

Prospects and Challenges

There is immense headroom for growth in all our businesses that will maximize long-term value. The businesses will maintain performance momentum and continue to deliver on the nine strategic pillars of the Max Group – capital efficiency, investments in growth, high corporate governance standards, enterprise synergies, superior financial performance, successful risk management, focus on people and brand investments and relentless pursuit of service excellence.

The leadership and governance structures that have been instituted will help create and nurture an enabling environment for a singular corporate vision and synergistic growth. Boards in all the Group companies have been re-configured to achieve the right composition by having 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.

There are significant efforts underway at both Max Healthcare and Max Bupa to build digital capabilities and enable an end-to-end digital journey for our customers across the spectrum.

However, we must be aware that both healthcare and health insurance are sectors which will face increasing regulatory and Government scrutiny. We appreciate the Government's efforts to ensure transparency and fairness for the customer, but there are clear concerns about growing regulatory activism in this space.

Despite potential headwinds, Max India will keep up its endeavour to create value for all its stakeholders the way it has in the past. As an engaged stakeholder who continues to stay invested in this eight-month-old company, you are testament to that commitment.

I thank you for putting your faith in our endeavours. I regard the future with enthusiasm. There is a great deal to look forward to as our initiatives bear fruit.

Rahul Khosla
Chairman, Max India Limited

MANAGING DIRECTOR'S LETTER

Dear Shareholders,

It is an honour to be writing to you as the new Managing Director of Max India. FY 2015-16 will go down in Max Group's history as a strategic inflection point — a pivotal event that will enable the Group to rise to new heights. In this letter, I will specifically address the value creation potential of this company, key initiatives undertaken in FY 2015-16 and plans going forward.

A SUCCESSFUL CLOSURE OF THE DEMERGER PROCESS

First, a quick re cap of objectives of the demerger. The restructuring of the erstwhile Max India Limited was undertaken with three key objectives:

- o to provide you, the shareholder, with specific and undiluted access to Max Group's diverse line of businesses;
- o to unlock shareholder value; and,
- o to enable sharper focus on each operating business.

With the listing of Max India from July 14, 2016, the de-merger process officially comes to an end. The thumbs-up from the capital market to all three entities is a re-enforcement of the objectives with which the de-merger was carried out. While the first two are certainly important, in the context of (new) Max India, the third objective, in my view, is most critical from the perspective of multiplying value creation potential. Each of our three businesses — Max Healthcare, Max Bupa Health Insurance and Antara Senior Living, are in their growth phase. The common thread is that all three have enormous potential for growth, being businesses in sectors that are significantly underpenetrated or underserved. And, there is also a symbiotic relationship among the three businesses.

It, therefore, became imperative that these businesses receive focused Board and shareholder guidance at this stage of their development. In line with our deep and abiding sense of compliance with corporate governance standards, we have modified our Boards to better reflect the interests of shareholders and we are now completely aligned in our processes with the new Companies Act, 2013.

HIGHLIGHTS OF OPERATING BUSINESSES

Having done the context setting for the 'new' Max India, let me discuss below FY 2015-16 performance, strategic initiatives undertaken to strengthen health and, key priorities for FY 17 of each of the operating business.

Max Healthcare

The Company reported a robust growth of 25% in gross revenues in FY 2015-16—going up from ₹ 1,740 crore to ₹ 2,181 crore. In addition, the bottom-line turned positive for the first time, with Profit Before Tax of ₹ 10 crore, compared to a loss of ₹ 6 crore last year and EBIDTA stood at ₹ 215 crore, a ~26% year on year growth.

FY 2015-16 is a watershed year for Max Healthcare for many reasons. On one hand, it reported a positive bottom-line for the first time in its history, an outcome driven by consistent effort to improve top line maintaining healthy occupancy levels, lowering ALOS, increasing speciality mix yielding improvement in ARPOB as well as diligent cost optimization program ("Maxima") across direct and indirect cost buckets yielding significant sustainable savings without compromising patient safety and satisfaction as reflected in the improvement of customer satisfaction scores from 57% in FY 2014-15 to 68% in FY 2015-16.

On the other hand, Max Healthcare acquired and successfully integrated two large acquisitions, a first in the company's history - Saket City Hospital in Saket, New Delhi, and Pushpanjali Crosslay Hospital in Vaishali, which has grown existing capacity by over 50 per cent and laid a solid foundation for future growth. The Saket City Hospital in particular along with our flagship hospital — Max Saket provides us a platform to develop Asia's top tertiary and quaternary care "Medicity" with capacity of some 1800 beds when fully built. This project when coupled with expansion opportunities in other units would enable Max Healthcare to double its bed strength to 5,000 in the next 5-7 years. In addition, we are pursuing alternative growth models and incubating new businesses e.g., Max Labs, Cancer Day Care Centre, which we believe has significant growth potential.

For Max Healthcare, the priority in FY 17 is to continue to strengthen its existing operations building on efforts towards patient safety, medical quality, IT & medical technology and cost optimization. At the same time, the focus will be to seamlessly integrate the newly acquired assets with rest of the network in terms of processes or policies and financially turn them around leveraging its operational strengths.

From a longer term perspective, flawlessly executing the Saket Medicity plan is critical for future growth, which is an enormous task but one which our talented team is capable of delivering with flair. The healthcare business will focus on unit-wise growth plans to achieve the five-year goal we have set for ourselves in terms of bed capacity addition. We will continue to very diligently monitor and measure Max Healthcare performance at a disaggregated level given different parts of the portfolio is at different levels of maturity with different priorities. And, the Company will continue to invest significantly in developing the alternative growth channels seeded in FY 2015-16.

Max Bupa Health Insurance

The second operating Company - Max Bupa, is confidently striding towards realising its vision of becoming India's most admired health insurer. In FY 2015-16, the company's revenues grew 28 per cent over the previous financial year to reach ₹ 476 crore. The Company has also been able to maintain a steady claims ratio of 56%, due to its strong claims management processes and, customer satisfaction scores showed consistent improvement — 65% vs. 59% last year

We are now the trusted health insurer of over 1 million retail customers, increasing our total customer base to over 2 million. The Company is among the fastest growing players in the health insurance segment and our joint venture partner, the UK-based Bupa Finance PLC, has raised its stake from 26 to 49%. Bupa was the first foreign insurer to announce its intent to go up to 49%, a clear reaffirmation of its confidence in Max Bupa and in the huge growth opportunity that the health insurance sector represents in India.

Most importantly, Max Bupa under the leadership of the new CEO has significantly invested in building capability and capacity across all functions, strengthening the underlying processes, identifying opportunities to optimize costs and, strategically reviewing the portfolio with the focus on 'getting fit' for longer term profitable growth. While the efforts along these lines will continue in FY 17, one of the key priorities for Max Bupa will be to transform the bancassurance channel through customer-based approach and embedded products. The tie-up with Bank of Baroda is a taste of things to come. Focus will be on developing simple, easy to understand products which can be distributed effectively through bank and NBFC partners.

Antara Senior Living

Antara Senior Living is close to launching its maiden project in lush green locales of Dehradun. The Company is on track to completing construction of the 200 apartments within this financial year and start the delivery of Phase 1 residences to their respective owners in Q4 FY 17. 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 well-being. With 50,000 square feet of recreational spaces, 200 apartments and premium facilities, Antara Senior Living brings a unique dimension to senior living in the Indian subcontinent.

For Antara Senior Living, FY 2017 is going to be a memorable year, the year when our first world class senior living facility will become a living entity, first of its kind in India. Our focus is going to be on ensuring timely delivery of homes with possession letters being handed out starting Q3 FY 17. The company's sole focus will be to tirelessly ensure exemplary service delivery to the new residents of the Dehradun community

From a longer term perspective, the Company will also explore opportunities for future communities and other avenues of business growth.

UPDATE ON THE MERGER OF HDFC LIFE AND MAX LIFE

The next one year brings with it another key development for the Max Group and specifically Max India. As you may already be aware, the Boards of Max Financial Services, Max Life Insurance and Max India recently approved entering into definitive agreements for amalgamation of business between the entities through a composite Scheme of Arrangement. As part of this arrangement, the following steps will occur:

- Merger of Max Life into Max Financial Services

- Demerger of the life insurance undertaking from Max Financial Services into HDFC Life (i.e., the merged insurance entity)

- Merger of Max Financial Services (holding the residual business) into Max India

The above Composite Scheme of Amalgamation and Arrangement is subject to board, shareholder, regulatory, respective High Courts and other third-party approvals.

THE ROAD AHEAD

The 'new' Max India is, in many ways, a reflection of the old Max India with immense opportunities to grow shareholders wealth across its portfolio.

At this crucial juncture we have to continue our efforts to ensure that our healthcare, health insurance and senior living businesses continue on their respective profitable growth trajectories. Our collective vision has to be brought to fruition in the coming years while continuing to build customer trust, supporting social good in line with our core value of Sevabhav and instituting superior people practices along with cultivating a fair, transparent, value driven and high performance work culture.

Earning and keeping your trust has always been essential to your management team. Through open and honest communication, transparency and accountability, we hope to maintain your trust and confidence in us.

With best wishes,

Mohit Talwar
Managing Director, Max India Limited

BUSINESS REVIEW

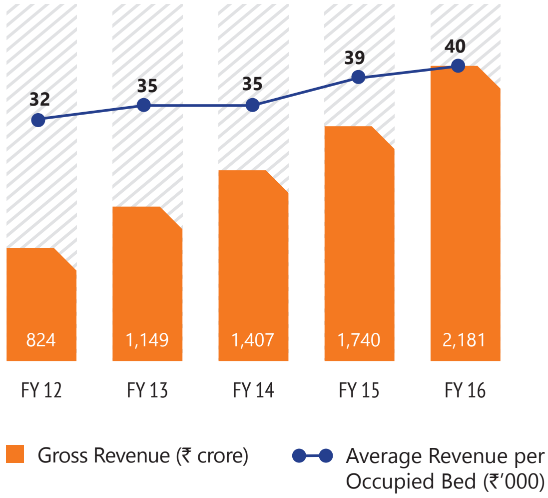
Revenue up **25%** to ₹ **2,181 crore**

EBIDTA up **26%** to ₹ **215 crore**

Acquisitions provide platform to double bed capacity to **5,000+ beds**

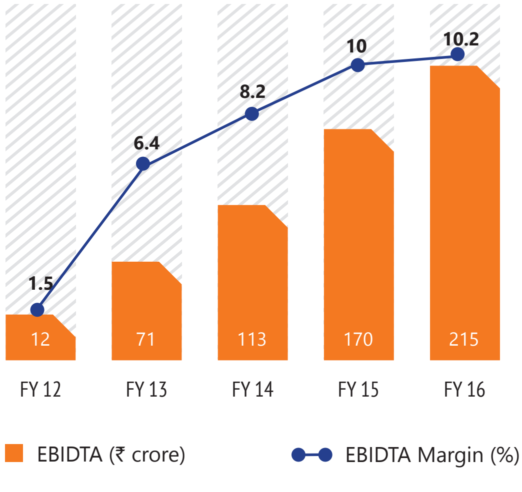
MAX HEALTHCARE

GROSS REVENUE AND AVERAGE REVENUE PER OCCUPIED BED



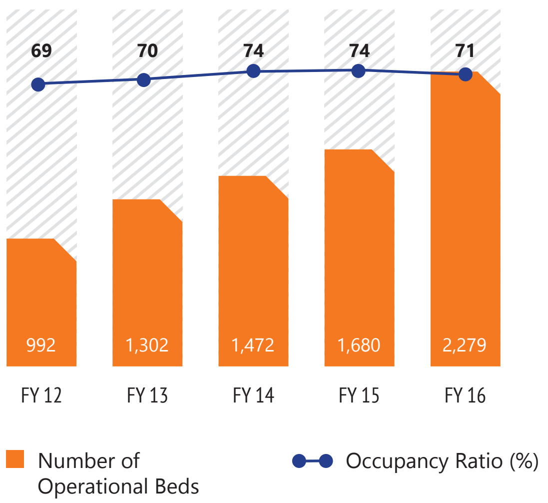
Healthy new business growth and improvement in renewal conservation drives strong overall premium growth

EBIDTA AND EBIDTA MARGIN



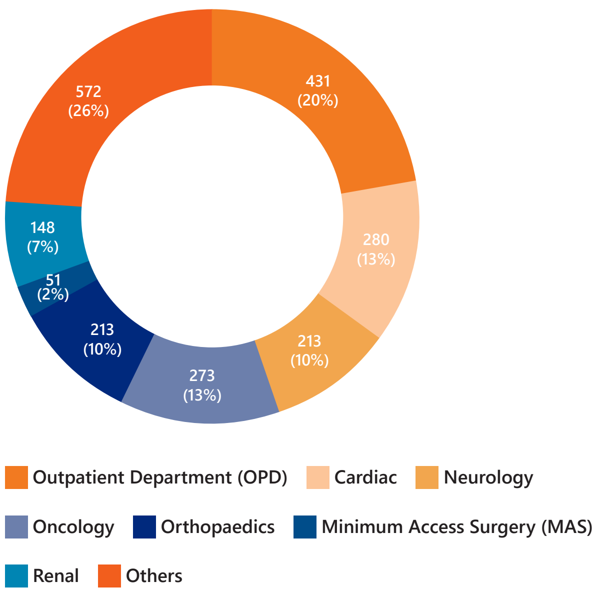
Healthy new business growth and improvement in renewal conservation drives strong overall premium growth

BED OCCUPANCY



Maintained healthy occupancy levels despite a 36% increase in operational beds

REVENUE SPLIT



Focus on Cardiac, Neurology and Oncology increasing

2,858 Doctors, **4,151** nurses and **4,008** other trained personnel in **14** hospitals across North India

3 million patients from over **80** countries.

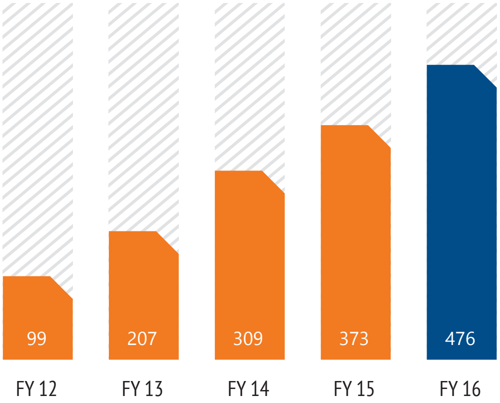
FY 2015-16 operating numbers exclude Max Vaishali and Max Smart Super Speciality Hospital, Saket

Bupa increases stake to **49%** from **26%**

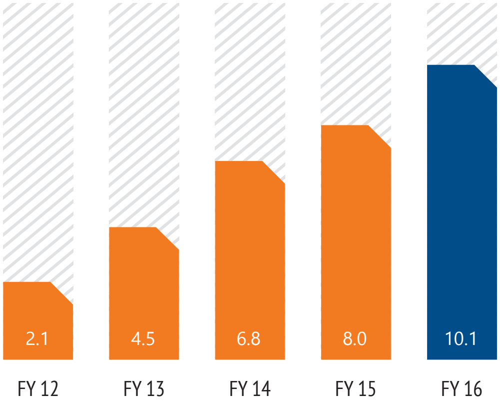
Reached **1 million** urban customers

New bancassurance alliance with **Bank of Baroda**

GROSS WRITTEN PREMIUM (₹ Cr.)

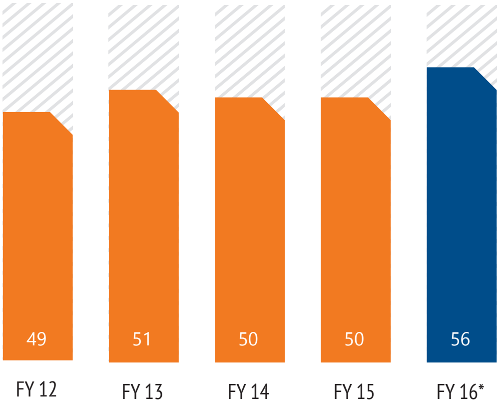


LIVES IN FORCE** (₹ Lakh)



**Excludes lives covered under RSBY
Total lives covered, including rural sector, increase to 2 million

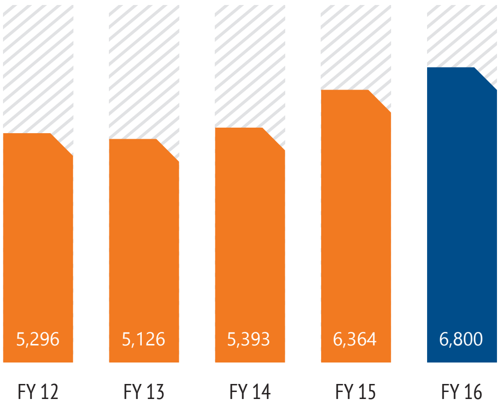
B2C CLAIM RATIO (%)



B2C segment comprises 98% of GWP

* Adjusted for abnormal past claims for the PY amounting ₹ 7 crore settled in FY 2015-16

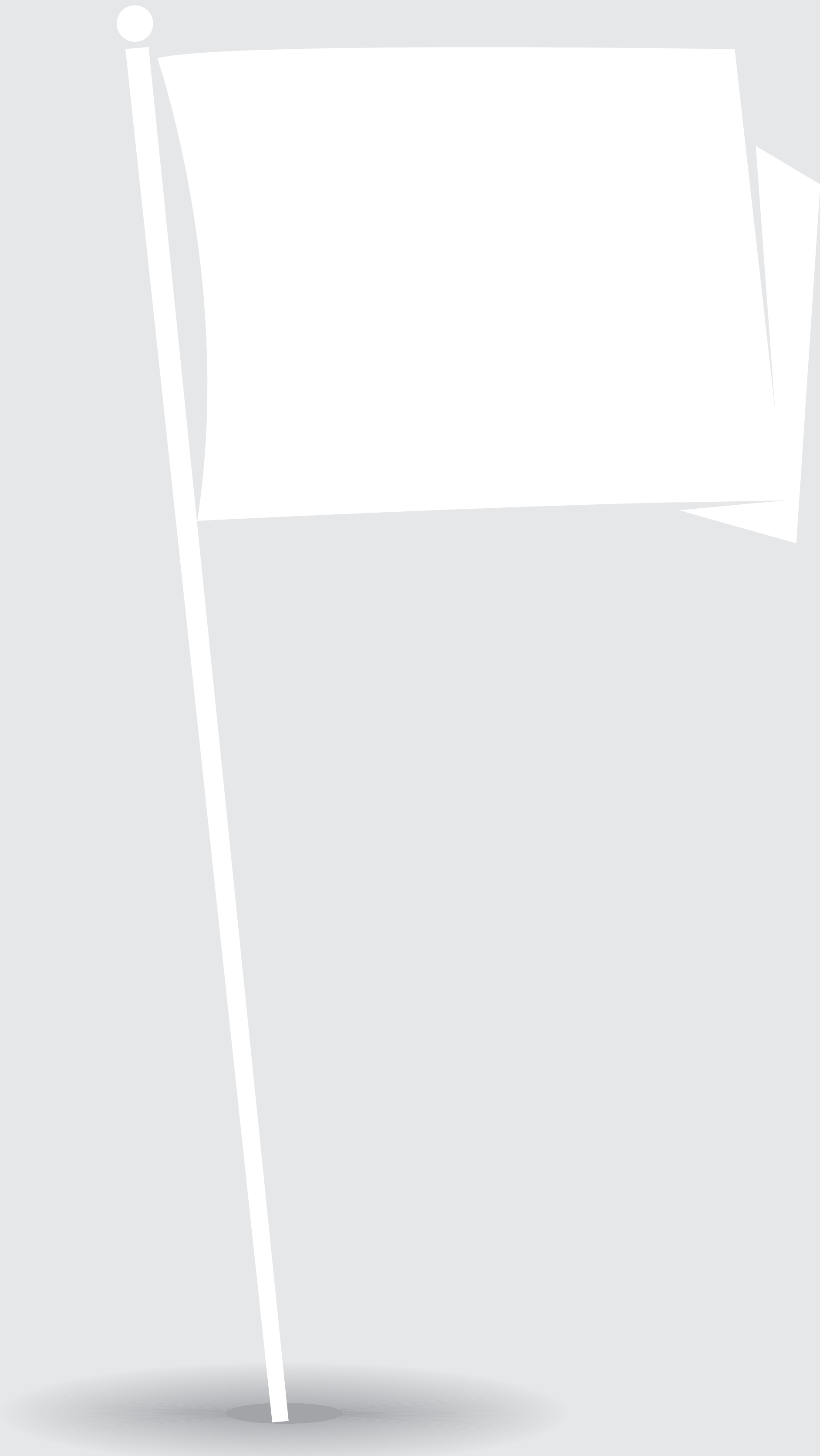
PREMIUM PER LIFE (B2C, ₹)



Average premium realisation increases 7% driven by growth in share of Gold and Platinum products

Greater focus on B2C segment; grows **31%** to **₹ 465 crore**

12,600 Agents and **3,600** partner hospitals



03

MANAGEMENT
DISCUSSION & ANALYSIS

Rahul Khosla
President, Max Group

Mohit Talwar
Managing Director

Dharmender Kumar
General Manager - External Affairs

Himanshu Tiwari
Executive Assistant to Managing Director

Dilbagh Singh Narang
Deputy Director - Taxation

Jatin Khanna
Chief Financial Officer

Nitin Thakur
Director - Brand & Communications

Prashant Hoskote
Senior Director - Quality & Service Excellence

P. Dwarakanath
Head, Group Human Capital

Rishi Raj
Director - Strategy & Corporate Development

Shahana Basu
Director - Legal & Regulatory Affairs

V Krishnan
Company Secretary

Max India Limited ('Max India' or 'the Company'), a part of the US$ 2.1 billion Max Group, is a multi-business corporation focusing on the core businesses of (i) healthcare, through Max Healthcare Institute Limited; (ii) health insurance, through Max Bupa Health Insurance Company Limited; and (iii) senior living, through Antara Senior Living Limited. Max India also has interests in learning and skill development, through Max Skill First Limited.

Max India Limited (formerly Taurus Ventures Limited) was incorporated on January 01, 2015. Pursuant to the Composite Scheme of Arrangement between Max Financial Services Limited (formerly Max India Limited) (i.e. Demerged Company) (MFSL), Max India Limited (formerly Taurus Ventures Limited) 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, the Investments held by MFSL in Max Healthcare Institute Limited, Max Bupa Health Insurance Company Limited, Antara Senior Living Limited, Max Skill First Limited, Pharmax Corporation Limited, Max Ateev Limited and Max UK Limited stood transferred to the Company w.e.f. Appointed Date i.e. April 1, 2015.

Max India shares commenced trading on the BSE and the NSE in July 14, 2016. The Company is committed to becoming the most admired Company for the health and life care needs of its customers, patients and their families.

Its key operating businesses include:

Max Healthcare Institute Limited (MHC): MHC, together with its operating subsidiaries comprises the healthcare business. MHC is currently a joint venture of Max India wherein, it holds 45.95% equity shareholding. Life Healthcare, the joint venture partners holds 45.95% equity shareholding in MHC, while the remaining equity shareholding is held by financial investors and certain employees.

Max Bupa Health Insurance Company Limited (MBHI), is a joint venture between Max India wherein, it holds 51% equity shareholding and Bupa Finance Plc., UK, holds remaining 49% equity shareholding. MBHI offers individual and family oriented health insurance policies across all age groups.

Antara Senior Living Limited, (Antara) is a Wholly-owned subsidiary, and offers highly differentiated, world-class senior living communities fulfilling lifestyle, wellness and health related requirements of senior citizens. Spread over 13.6 lush green acres in Dehradun, Antara is a luxurious, fully-integrated community designed around the safety, wellness and lifestyle requirements of progressive seniors above the age of 60.

Max Skill First Limited is a wholly owned subsidiary of Max India. Max Skill First is a shared service centre for providing learning and development solutions and training services to companies in the Max Group. It is also engaged in the business of distribution of life and health insurance products through its subsidiary, Max One Distribution Services Limited.

Max Healthcare and Max Bupa reported Gross Revenues of ₹ 2,181 crore and ₹ 476 crore (Gross Written Premium), respectively in FY 2015-16, growing at robust rates of 25% and 28% over the previous year. MHC witnessed a turnaround in profitability reporting positive Profit after Tax for the first time of ₹ 10 crore in FY 2015-16.

CORPORATE DEVELOPMENTS

In FY 2015-16, Max Healthcare acquired two major hospitals in the Delhi-NCR region – Pushpanjali Crosslay Hospital and Saket City Hospital (SCH). With these additions, MHC now has an existing capacity of 2600 beds across 14 hospitals. The Company plans to further expand the facility, now called Max Smart City Hospital, by ~900 additional beds over the next few years, thereby expanding the hospital's capacity to 1200 beds, and together with contiguously located Max Super Speciality Hospital Saket, creating a combined capacity of almost 2000 beds in the heart of South Delhi. This addition represents more than a 50% increase to Max Healthcare's current capacity, significantly enhances access to quality healthcare in the NCR region, and will make Max Healthcare the largest healthcare provider brand in North India.

One of the fastest growing players in the segment, Max Bupa is now the 9th largest private health insurer in the country, recently achieving a milestone of 1 million retail customers. Max Bupa recently tied-up with Bank of Baroda for a bancassurance corporate agency agreement. Under this agreement, Max Bupa will now be able to offer its comprehensive health insurance offering to the diverse customer base of Bank of Baroda across the country. Max Bupa already has bancassurance arrangements and strategic alliances with leading institutions such as Ratnakar Bank, Muthoot Finance and Bajaj Finserv. Max India's JV partner Bupa, a leading international healthcare group, recently acquired additional stake in Max Bupa, increasing shareholding from 26% to 49%.

Antara Senior Living, the third Company under Max India, is pioneering the concept of 'Age in Place' for people over 55 years of age, by developing Senior Living communities in India. Antara has reported strong sales momentum in its maiden senior living community in Dehradun – having already sold more than 40% of its proposed built capacity. Antara will launch its community with over 200 apartments in Q3 FY 17 near Dehradun, Uttarakhand.

OUTLOOK

There is tremendous growth opportunity in each of the three underlying businesses of the proposed new vertical Max India. With only about 5% penetration of health insurance and 1.3 hospital beds per 1000 people, both Healthcare and Health Insurance sectors have very low penetration and therefore huge growth potential. Senior living is a sunrise industry in which Antara Senior Living is a pioneer.

To strengthen its profitable growth journey, Max India has taken some transformational bets in its businesses. These growth bets were represented in capital outlays for Antara Senior Living, hospital acquisitions by MHC, and infusion of growth capital in Max Bupa Health Insurance. While the demerger has allowed each of Max India's operating companies more leeway for growth, it has also put on them the onus of consistently strong performance, while exposing them to greater market scrutiny and accountability than ever before. As in the past, the Company will remain committed to the highest standards of corporate governance, recognising that it is a key driver for business excellence, talent attraction and retention, and optimal capital allocation across its operating companies.

Rajit Mehta
Managing Director & Chief Executive Officer

Anas Abdul Wajid
Director - Sales & Marketing

Anil Vinayak
Director - Operations & Zonal Head NCR1

Rohit Varma
Director - HR & Chief People Officer

Yogesh Sareen
Sr. Director &
Chief Financial Officer

Vinita Bhasin
Sr. Vice President -
Service & Customer Operations

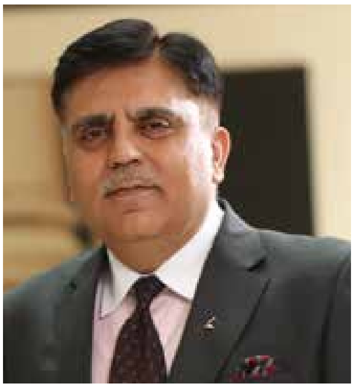
Rohit Kapoor
Sr. Director &
Chief Growth Officer

Rakesh Prusthi
Director - Legal, Compliance
& Regulatory Affairs

Dr. Sandeep Budhiraja
Clinical Director & Director -
Institute of Internal Medicine

Sumit Puri
Director - IT &
Chief Information Officer

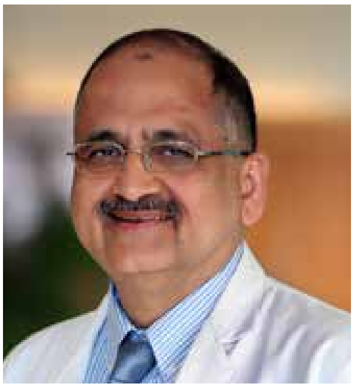
GENERAL MEDICAL ADVISORY COUNCIL



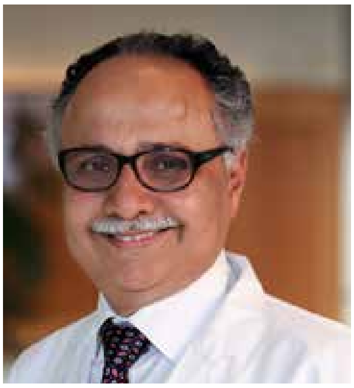
Mr. Rajit Mehta
MD & Chief Executive Officer

Mr. Rohit Kapoor
Senior Director & Chief Growth Officer

Dr. Sandeep Budhiraja
Clinical Director, Max Healthcare
Director, Institute of Internal Medicine

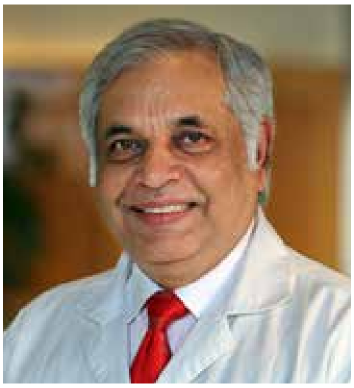


Dr. S. K. S. Marya
Chairman & Chief Surgeon, Max Institute of Musculoskeleton Sciences (Orthopedics & Allied)

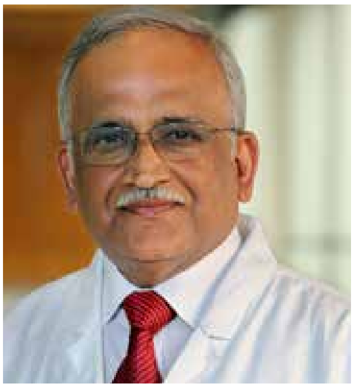


Dr. Harit Chaturvedi
Chairman, Max Institute of Oncology, Chief Consultant & Director Surgical Oncology

Dr. K. K. Talwar
Chairman – Department of Cardiology



Dr. Pradeep Chowbey
Chairman, MAMBS
Executive Vice Chairman, Max Healthcare



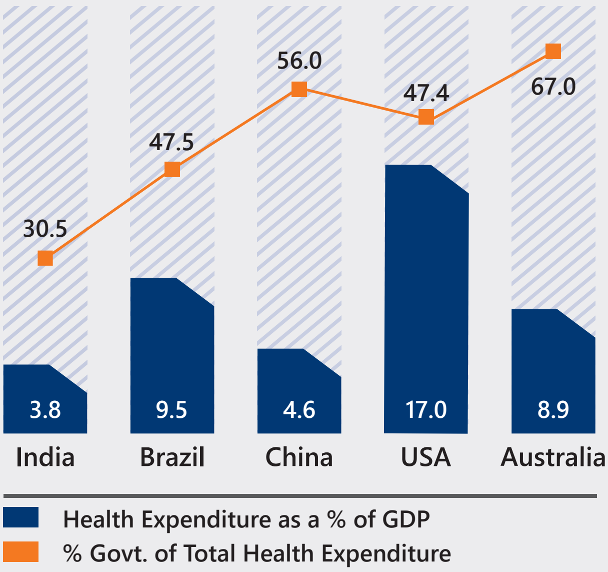
Dr. Anurag Krishna
Director – Pediatrics & Pediatrics Surgery

Indian Healthcare Sector: Poised for Growth

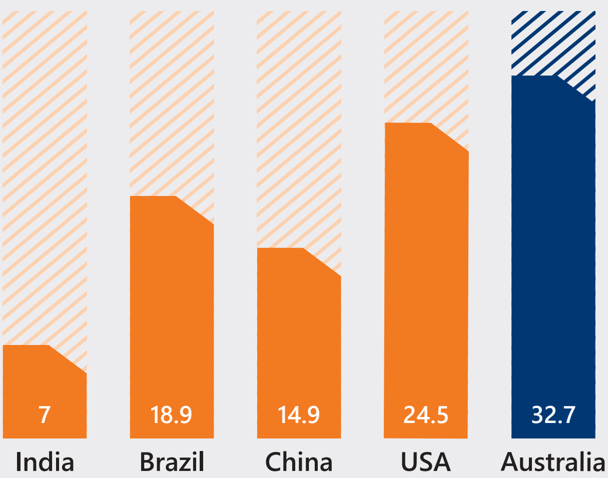
The United Nations has projected that India's population will reach 1.45 bn by 2028, making it the world's most populous nation surpassing China. Further, India will also face the challenge of 168 million people in the geriatric age group by 2026. If India were to leverage its demographic dividend, then it is imperative that it nurtures a healthier population.

The Indian healthcare market is growing at a CAGR of ~16% and is expected to reach US$ 280 bn by 2020. The growth is primarily contributed by emergence of private players with an inflow of both domestic and foreign investments. At the same time, public sector's performance is impacted by limited investments and sub-optimal utilisation of available resources. India currently spends cumulatively 3.8% of its GDP on healthcare, with just 1.2% being contributed by the state, amongst one of the lowest globally. India also lags behind in availability of medical personnel with only 7 doctors per 10,000 persons as compared to 18.9 per 10,000 in Brazil and 14.9 per 10,000 in China.

HEALTH EXPENDITURE (%)



DOCTORS PER 10,000 PERSONS



Source: FICCI-KPMG report: Healthcare – The Neglected GDP driver; WHO report 2015; Secondary Research

The private healthcare sector in India is witnessing a series of important developments that has led to the rise of a new wave of innovation and entrepreneurship. Existing private players seem to have robust expansion plans that are expected to further increase healthcare access and propel growth. The share of healthcare FDI has almost doubled since 2011 – from 0.7% in 2011 to 1.21% in 2015 – highlighting the growing interest of foreign players in the sector. Rising income levels and increasing insurance penetration are major contributing factors for the rise in patients accessing private healthcare services. This fact is reflected more strongly in the rural and urban middle class clusters. Growth in India's urban population, rise in elderly population and increase of lifestyle diseases will further propel growth of the industry.

The Indian healthcare sector is the fifth largest employer among all sectors, both in terms of direct and indirect employment. The sector offers direct employment to nearly 5 million citizens in India, which is expected to grow to 7.5 million 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.

Medical value travel, also popularly known as medical tourism, is being considered as India's next crown jewel. The medical value travel market in India is expected to grow at a CAGR of approximately 30% from USD 3.6 bn in 2015 to 10.6 bn in 2019. Rising costs of healthcare in the developed world, along with rising disposable income and healthcare awareness among the global population, is forcing patients to explore cheaper options in other countries. However, to emerge as a top medical value travel destination, India needs to focus on quality of services and increase transparency and accountability in every aspect of healthcare delivery.

The Government of India, in its budget for fiscal year 2016-17 reaffirmed its commitment to providing health insurance to improve accessibility & affordability under its plan for universal health coverage. Budgetary allocation to health insurance has been raised sharply and the insurance cover has been increased to ₹ 1 lakh per family. An additional cover of ₹ 30,000 was announced for senior citizens.

Further in order to improve access to cheaper medicines, the Central Government plan to open 3,000 Jan Aushadhi stores offering affordable generic medicines. This is a sharp increase from the current tally of 137 such stores in 19 states.

Another focus area of the Central Government has been the upgradation of super speciality facilities owned by the State under the Pradhan Mantri Swasthya Suraksha Yojana (PMSSY), which is responsible for establishing new All India Institutes of Medical Sciences and upgrading state hospitals.

All these steps are in the right direction and will eventually help in reducing the demand-supply gap and at the same time providing higher level of opportunities for private healthcare players to partner with the State and deepen/ widen their presence in order to improve the level of care in the country.

Regulatory Environment:

Following are the other major changes in the regulatory environment that has impacted the healthcare industry in the year FY 2015-16.

Capping of Margins

The Government is contemplating bringing in necessary regulations to cap trade margins on all drugs (instead of scheduled drugs only) to provide drugs at an affordable price to the consumer. While the intent of providing drugs at an affordable price is a commendable step, we believe that the Government can achieve this by devising and rapidly implementing alternative means viz. *Jan Aushadhi Yojana*, health protection scheme, online pharmacies, etc., which are elegant and effective way of achieving the same purpose.

This indirect method of fixing price invariably leads to availability issues especially in rural India where the manufacturer expects the distributors to also promote the product. This move will also, adversely impact the promotion of generic drugs and reward the inefficient manufacturer. MHC is actively engaged with multiple industry bodies, e.g., NATHEALTH, CII, FICCI to consolidate views, connect and communicate its concerns with the Government and propose suggestions for the betterment of the sector.

Bio-Medical Waste Regulation

To achieve the clean India mission, the Government is enforcing new regulations on bio-medical waste disposal. The Bio-Medical Waste Management Rules, 2016 has recently been introduced by the Government which will bring in a wider regime for bio-waste management. The ambit of the rules has been expanded to include vaccination camps, blood donation camps, surgical camps or any other healthcare-related activities.

Service Export from India Scheme

Under the new Foreign Trade Policy, a scheme called Service Exports from India Scheme (SEIS) has been announced by the Government. The new scheme aims at rationalisation of incentives and the removal of restrictions for use of Duty Credit Scrip (DCS) issued under the scheme. Rates of reward under the scheme are 3% and 5% (presently) of the net foreign exchange earnings in the preceding year. The rate of reward is dependent upon the precise classification of the service exported. Thus, service providers of 'eligible service' are entitled to DCS at notified rates. Healthcare and Hospital services, *prima facie*, are reasonably covered under major CPC code 931 for which benefits of DCS should be available @ 5% of Net Foreign Exchange Earnings (subject to fulfilment of other prescribed conditions).

The Company

Max Healthcare has a network of 14 facilities in North India (including 3 where it is a service provider), offering services in over 30 medical disciplines. Of this, 11 facilities are located in Delhi & NCR and the others in Mohali, Bathinda and Dehradun. The MHC network includes state-of-the-art tertiary care hospitals in Saket, Patparganj, Vaishali, Shalimar Bagh, Mohali, Bathinda, and Dehradun, secondary care hospitals at Gurgaon, Pitampura, and Noida and an out-patient facility and specialty centre at Panchsheel Park. The Super Specialty Hospitals in Mohali and Bathinda are under PPP arrangement with the Government of Punjab.

Max Healthcare is a pioneer in the introduction of technology to provide patients with the highest standards in medical care. Some such examples are the first Brain Suite in Asia at Max Saket, first Spy Angiography in India and the Electronic Health Record System in use across Max Hospitals. Max Hospitals are equipped with advanced medical equipment like state-of-the-art Cath labs, OTs with HEPA, Nuclear Medicine, Neuro-Navigation, Ortho Navigation, Mobile DR, HIPEC, EBUS and advanced MRI and CT scan machines.

Highlights of FY 2015-16

The year witnessed significant investment by the Company towards not only expanding but securing its dominant presence in NCR market.

In July 2015, the Company acquired a controlling stake of 78% in NCR based Pushpanjali Crosslay Hospital (PCH) through a combination of fresh investment and acquisition of shares from existing promoters for the aggregate sum of ₹ 247 crore. The integration of Pushpanjali Crosslay Hospital (rechristened as Max Vaishali) with the Max network has been completed and the hospital has benefited from the improved medical quality systems and processes leading to better outcomes, reduced procurement costs, the Max Healthcare brand equity and its management practices. The hospital reported significant increase in footfalls, realisation and other operational parameters post integration.

In November 2015, the Company acquired a 51% stake in marquee South Delhi-based Saket City Hospital (SCH) for about ₹ 650 crore from Smart Health City Pte Ltd., a Singapore-based Company of the BK Modi Group. Saket City Hospital which started its operations in 2013 has 230 operational beds and is currently expanding to 300 beds. Max Healthcare plans to further expand this facility by 900 additional beds, thereby expanding SCH's capacity to 1,200 beds. Combined with Max Healthcare's existing and contiguously located flagship facility (Max Super Specialty Hospital – Saket), Max Healthcare will have a footprint of about 2,000 beds in Saket, once fully built. This acquisition will provide significant opportunities through the realisation of a clear vision that includes setting up a world-class centre dedicated to Oncology, development of high-end Neurosciences capabilities, expansion of tertiary and quaternary specialties, installation of facilities to cater to transplants, deployment of high-end technology solutions such as robotics to improve care and safety as well as to address the growing burden of lifestyle-related, especially non-communicable diseases.

In order to part finance the M&A, both the joint venture partners viz Max India Ltd. and Life Healthcare Group collectively infused equity of ₹ 300 crore during Q3 FY 2015-16. The investments and the support from the shareholder underlines the growth potential of the Indian healthcare industry in general and ability of the Company to translate these opportunities into solid business propositions.

Financial Performance

The Company and its subsidiaries reported a consolidated income of ₹ 1,475 crore, which reflects a growth of 27%. The growth has been led by the newly acquired hospital (rechristened as Max Super Specialty Hospital, Vaishali) and also other relatively new hospitals commissioned in the 2011-13 period.

The EBITDA at ₹ 145 crore grew 42% reflecting an expansion in operating margin by ~100 bps, despite new acquisition. The consolidated cash profit was ₹ 72.3 crore, a healthy growth of 75%. The Company contained net loss to ₹ 13.8 crore, compared to a loss of ₹ 37.1 crore in the previous year.

MHC's Network of Hospitals (including hospitals where it is a service provider) had a robust growth of ~25% in its Net Revenue in FY 2015-16 at ₹ 2,098 crore, compared to ₹ 1,698 crore in FY 2014-15. Existing hospitals grew by 11% as compared to last year. The addition of two running hospitals viz Pushpanjali Crosslay Hospital, Vaishali and Saket City Hospital, Saket contributed 10% growth in top line. The mature hospitals in the network grew by 11% during the financial year while the newer hospitals grew by 24%. Rest of the revenue growth (of ₹ 175 crore) was contributed by addition of 2 new hospitals. The newer hospitals have integrated well and experienced increased occupancies leading to capacity utilisation of 65%-70%.

Apart from adding capacity to the network, revenue growth was driven by focus on multiple factors such as enhancement of service profile, addition of new technology, improvement in operational parameters and increase in patient satisfaction. Max Healthcare has considerably invested this year on acquiring the latest and newer technologies such as DA Vinci surgical system, Cath lab, high-end microscope etc. which has resulted in better clinical outcome, increased efficiency and improved patient satisfaction.

The network also witnessed a significant increase in patient footfalls with 25% growth in OPD and 24% growth in IPD cases amounting to a total of ~1.5 million cases in FY 2015-16.

The consolidated Operating margin (before interest and depreciation) at Network hospitals has increased from 10.2% in FY 2014-15 to 10.5% in FY 2015-16 resulting in total EBIDTA of ₹ 221 crore in FY 2015-16. The growth is primarily driven by several cost optimisation initiatives along with intelligent acquisition of new assets that enable sharing of assets, manpower etc., thus bringing the costs down. The Network hospitals reported a consolidated Net Profit of ₹ 10 crore, compared with a net loss of ₹ 6 crore (excludes one-off cost of ₹ 6 crore).

The FY 2015-16 has thus been a very eventful and successful year, where all the network hospitals improved their revenues, margin and profitability and at the same time significant addition to bed capacity (including potential to add more beds in future) was secured.

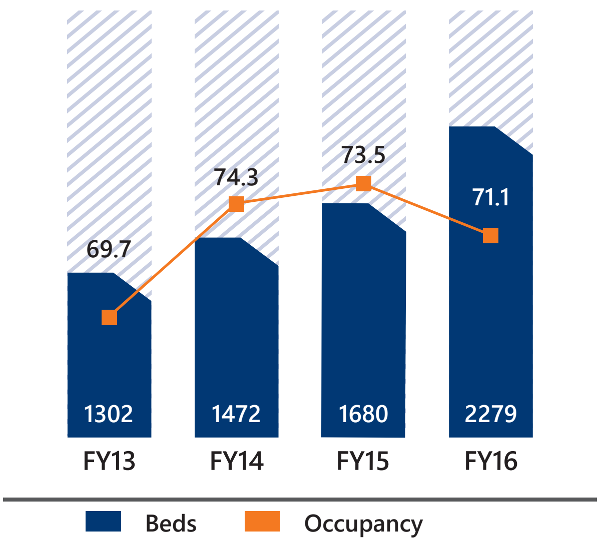
The matured hospitals (>5 years old) already enjoying healthy EBIDTA of ~15% and ROCE of ~19%, whereas hospitals in maturity age of 3-5 years are returning EBIDTA of ~3% and have negative ROCE of ~ 4%. This is primarily due to the fact that hospitals have high gestation period due to high fixed operating cost and slow build-up of occupancy. Going forward, the profitability will be driven by assets in the maturity age of 3-5 years and newly acquired assets – Max Vaishali and Max Smart.

Operational Performance

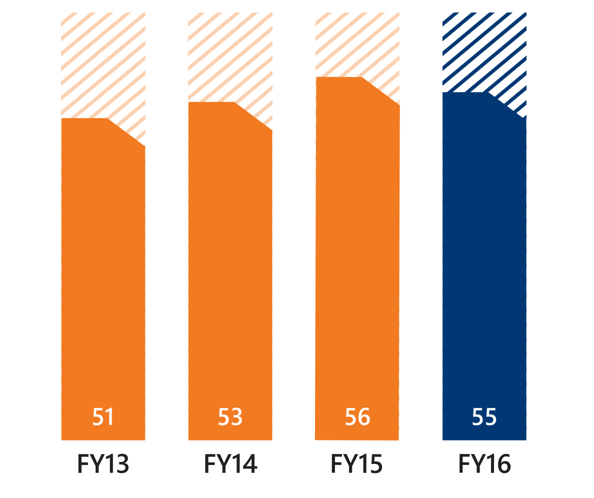
Max Network of Hospitals has exhibited impressive performance on all key operational matrices during FY 2015-16 and steadily improved its revenue, gross margin and EBIDTA during the period. This growth in Revenue and EBIDTA was a result of improved performance by all the network hospitals.

IP Occupancy % - Bed occupancy for the FY 2015-16 has been 71.1% as compared to 73.5% for FY 2014-15. Although occupancy has lowered by 2.4% as compared to last year, the number of occupied beds has increased by 31% (385 beds). The operational bed capacity has increased from 1,680 beds to 2,279 beds in FY 2015-16.

TOTAL BEDS VS OCCUPANCY (%)



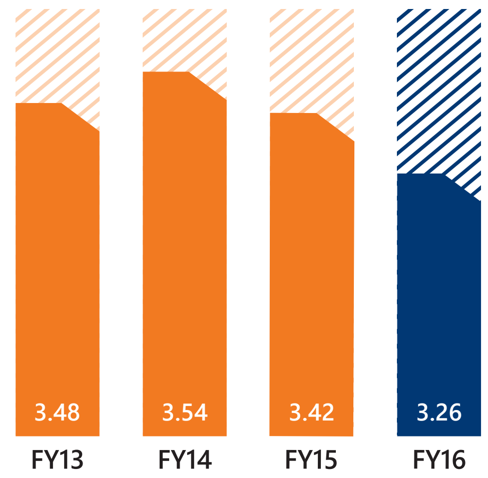
COE REVENUE SHARE (%)



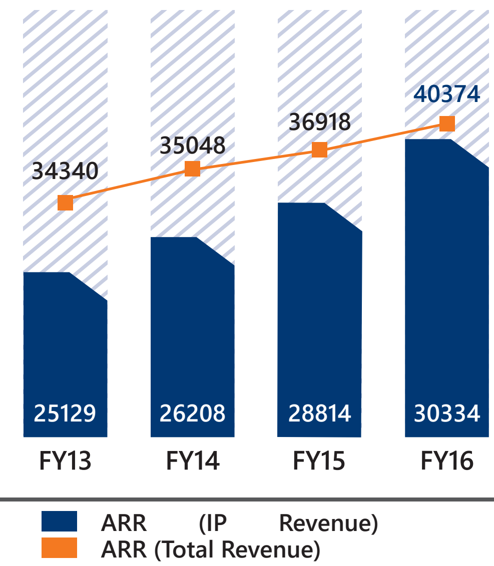
COE Revenue Share – Revenue for key clinical specialties or Centres of Excellence (COE – Cardiac sciences, orthopaedics, neuro-sciences, oncology, MAS and renal) has increased by 22% as compared to last year. However, the share of COE has dropped from 56% in FY 2014-15 to 55% in FY 2015-16. The drop has been partially due to addition of new assets that were focusing more on secondary care. Efforts are being made to upgrade the medical technology, manpower and infrastructure enabling these hospitals to cater to high-end tertiary care patients.

ALOS – Average Length of Stay or Patient Turnaround time has decreased from 3.42 in FY 2014-15 to 3.26 in FY 2015-16 due to constant focus on improved care with faster turnaround. This also led to availability of capacity to serve more patients with same hospital resources.

AVERAGE LENGTH OF STAY (Days)



AVERAGE REVENUE REALISED (₹)



ARR – Average Revenue Realised is average daily billing for each occupied bed. The IP ARR improved by 5.3% while the hospital ARR improved by 9.4% during FY 2015-16.

Information and Medical Technology, Quality Certifications

Max is constantly leveraging advancements in information technology to enable timely access of information to both patients and clinicians in order to enhance patient safety & care. Instant access of cumulative Lab and Radiology reports for OPD patients on patient portal has been rolled out which can be accessed both on patient web portal and through native application on mobile devices. Max, Gurgaon has completed rollout of EMR (Electronic Medical Records) information on doctor's IPADs to enhance accessibility of medical records and faster decision-making. Usage of bar coded medicine administration (BCMA) has been increased to almost 85% across all EHR locations. BCMA helps to reduce medication errors and improve the quality and safety of medication administration.

Max has also implemented several cost control initiatives through effective use of IT systems to optimise material cost. These initiatives have been implemented at PAN MAX level and have shown positive results in terms of inventory control and material cost savings. Successful integration of Vaishali and Saket City with Max Hospital Information system, deployment of Enterprise Resource Planning system PAN MAX and implementation of IT Service Management tool for effective tracking and resolution of IT issues are other initiatives during the year which helped in elevate the quality of care while keeping the cost of care in check.

Medical technology plays a crucial role in enhancing the quality of delivery, reduction in turnaround time of workflows and thus the overall cost, besides bringing in higher accountability into the system. Max has consistently invested in acquiring latest and newer technologies that result in better clinical outcomes and hence, greater patient satisfaction. This year, Max has installed DA Vinci Surgical System in Max, Saket that offers greater anatomical access, and crystal clear 3D HD Vision for performing urological and laparoscopic procedures. Installation of new hybrid Cath Lab at Max Hospital, Saket has led to improved Patient safety, reduced complications (access site and bleeding) for advanced cardiovascular diagnostic and interventional procedures. High-end microscope, Ortho-suite Navigation system, DR system in Radiology are the other latest upgradations that has helped improve decision-making capabilities and throughput of surgeon to gain competitive advantage.

Medical Excellence is the strength of your company's brand. The company's unrelenting focus is to aspire for the highest level of service experience and clinical outcomes for the patients and families. Catering to the incremental volume of patients, strong set of evidence based protocols are uniformly and consistently deployed by the clinical teams, supported by the framework of clinical governance, credentialing, training and continuous professional development.

Eleven hospitals under Max Healthcare network are NABH accredited and remaining hospitals are in final stages and nine of its laboratories are NABL accredited. Further, preparations are ongoing to have MSSH, Saket JCIA accredited. MSSH Saket during the year was certified for Nursing Excellence by NABH. Two hospitals; MSSH Saket and MSSG Shalimar Bagh have got Green OT certification, by Bureau Veritas. The certificate recognises adherence to the highest quality and safety parameters for patients and healthcare workers in the highest infection-prone zone in a hospital, i.e. operation theatres.

Community Initiatives

MHC Network continued its 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. During the period more than 1.7 lakh patients from economically weaker sections were treated in network hospitals which is 43% higher than last year.

Max India Foundation, who your Company partners with for contributing to the wellbeing of underprivileged and to the environment protection efforts has benefited over 1.7 million people in 660 locations from the underserved communities across the country in partnership with more than 400 NGOs. Few highlights for FY 2015-16 are:

Village Adoption Project – Two villages in Uttarakhand – Dhakrani and Chandrothi, were adopted by Max India Foundation for intervention on the issue of health and hygiene. A number of initiatives on healthcare, sanitation, waste management and safe drinking water have been undertaken to improve the lives of the villagers.

Artificial Limb and Polio Calliper Camps – Around 530 people were benefited at the 'artificial limbs and callipers camp' held at Gaya and Dehradun for the disabled.

Traditional Birth Attending Training – Training for traditional birth attendants (*Dai*) was organised across the 13 districts of Uttarakhand. Since huge part of the population lives in far-flung areas, institutional births are not always possible.

Healthcare – This year 224,806 patients have been treated through 912 health camps across India. Max India Foundation has supported 5,016 high-end surgeries for the underprivileged. Through its pan-India immunisation programme, Max India Foundation has immunised 56,170 children across India.

Disaster Relief – Relief was provided for victims of Chennai floods in December 2015 with medicines and medical supplies through CII relief operations. A team of doctors and volunteers from Max Healthcare along with medicines worth ₹ 4 lakh were sent to Nepal to provide medical support to the injured.

Human Resource

The rise of technology and social media has completely redefined the role of Human Resources around the world. It has not only impacted big players but every enterprise present in the market. To keep up with the pace and mark our presence in the industry, Max Healthcare people function has incessantly remained agile and swift to churn out initiatives to nurture and grow our Human Capital. The infusion of able leadership during FY 2014-15, strategic alignment of Hospital Operations into clusters have yielded better synergies and business results in FY 2015-16. Multiple people initiatives taken during the year have ensured better employee experience for our 10,000 employees (excluding visiting consultants) on a day-to-day basis. The launch of "DISHA" ERP system has strengthened a lot of HR processes, from recruitment to exit, from goal sheet to annual appraisal, the system has ensured a big move from manual to automated world of governance.

Many tailor-made interventions like Aarambh, Paathshala, Saksham etc. were introduced to better assimilate new joiners and to build Supervisory Capability. Lead MHC, a large-scale interactive programme to disseminate organisations' vision and goals, was initiated and concluded successfully PanMax with key action themes identified. Higher education sponsorship policy was launched to provide employees an opportunity to upgrade their skills and enable greater performance.

Nurse's engagement has always remained critical to success of the hospital business and Max has made significant achievements under Nursing Transformation journey in FY 2015-16. From campus adoption to re-aligning policies to launching career programme under LHC exchange programme, each initiative witnessed an overwhelming response from nursing fraternity. New designations and competency based hiring was introduced for Front Office team as part of Mission Pride (Front Office transformation) initiative and better retention is expected with this move.

Max Healthcare strongly believes in empowering of human capital with the necessary skills and knowledge and at the same time, ensuring that the workforce has a great camaraderie and work-life balance.

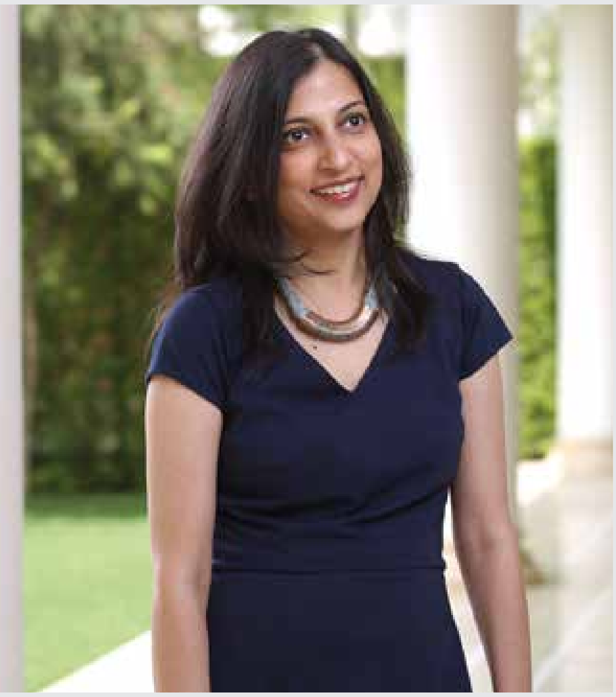
Outlook

Max Healthcare was focused on strengthening its existing operations, integrating newly acquired assets with the network in terms of processes or policies and leveraging its operational strengths into significant financial gains during FY 2015-16. 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. In three to five years we want to become the most trusted name in healthcare, known for medical excellence and service excellence with dominant player in the areas of Oncology, Orthopaedics, Neuro-sciences, Organ transplant and Cardiac. Much of MHC's profitability can be credited to cost optimisation efforts over the past couple of years, and this will continue to be an ongoing focus area for the organisation. That does not however imply that any of this cost rationalisation will occur at the cost of patient safety or medical quality. The focus, instead, is on ensuring sustainable value addition by cultivating the right culture.

The healthcare industry is going to have to go through far greater scrutiny as we move forward. MHC is dedicated to its core of Sevabhav and will ensure it comes through in every aspect of our service delivery.

HEALTH INSURANCE

Ashish Mehrotra
Managing Director & CEO



Anika Agarwal
Sr. Vice President & Head -
Marketing, Digital and Direct Sales

Anurag Gupta
Sr. Vice President & Head – Agency Channel

Priya Gilbile
Sr. Vice President & Head -
Health Risk Management

Debraj Sinha
Director & Chief Human Resources Office

Polly Doak
Chief Strategy Officer & Director of Products

Rahul Ahuja
Chief Financial Officer

Max Bupa Health Insurance Company Ltd. ("MBHI" or "Max Bupa"), a specialist health insurer, formed in 2010, is a joint venture between Max India Limited, a multi-business corporate with expertise in Health & Allied Services, and Bupa, a leading international healthcare provider with over six decades of healthcare knowledge. Max Bupa is helping over two million customers lead healthier, more successful lives through its comprehensive product and service offerings.

One of the fastest growing players in the segment, Max Bupa has established itself as a trusted family health insurer with a comprehensive suite of products for various customer segments. The company's core competency lies in assessing the evolving needs of its customers and fulfilling them through innovative, comprehensive, yet simple products.

A focus on innovation, strong brand equity and customer centric approach sets Max Bupa apart from other insurers.

Some key differentiators of Max Bupa are as follows:

- **Speedy cashless claims**
  - o Max Bupa continues to be the only health insurer in the country to administer cashless claim hospitalization requests within 30 minutes, the fastest turnaround time for any health insurer in the country.
- **A comprehensive and established retail product portfolio**
  - o Max Bupa has distinguished itself by being the first in the industry to introduce innovative products and services like coverage for all day care procedures, lowest waiting period on maternity, cashless coverage for international treatment, among others.
  - o Max Bupa's flagship product Heartbeat is recognized as a unique family product in the industry with a strong value proposition for various target segments.
- **Strong focus on innovation**
  - o Max Bupa was the first Company to introduce customer centric features like any age enrollment and lifelong renewability in the country.
  - o Max Bupa has been at the forefront of deploying the latest technological tools to offer seamless and real time service to its customers like state of the art CRM, Workflow Management System etc.

- **Strong brand equity**
  - Max Bupa has been recognized as one of the most trusted and reputed brands in the health insurance segment with a strong value proposition for its customers. It has been rated as the the most trusted health insurance brand three times in a row in an independent multi city consumer survey conducted by Trust Research Advisory
  - Max Bupa has invested in unique brand initiatives like Max Bupa Walk for Health to build awareness around health and well being

Max Bupa's strong foundation rests on its core values – Caring, Respectful, Ethical, Accountable, Trustworthy and Enabling (CREATE). This value system has enabled Max Bupa to establish itself as one of the most trusted and admired health insurance players in India.

INDUSTRY DEVELOPMENTS

Though the penetration of Health Insurance is still under 1% of India's GDP, the sector continues to be the fastest growing segment in the non-life insurance industry. Total Health Insurance premium grew 22% to ₹ 24,784 crore in FY 2015-16 from ₹ 20,255 crore in FY 2014-15. Increase in lifestyle and chronic illnesses like Diabetes, Cancer and Cardiovascular illnesses along with double digit growth in medical inflation is leading to an increase in demand for health insurance. As per industry estimates, the total health insurance market is expected to grow 2X to ~ ₹ 50,000 crore by FY 2020.

Max Bupa is focusing on the B2C Health Insurance segment which , at ~25% CAGR is outpacing the industry growth. The industry continues to be dominated by 4 public sector companies that together command 60% market share. The rest of the market is divided between 22 private sector players, of which 5, including Max Bupa, are standalone health insurance players. The industry continues to attract new entrants like Kotak General, Aditya Birla Novo among others.

OPERATIONS – HIGHLIGHTS

Max Bupa has a strong customer base of ~2.05 million in India, serviced through its multiple distribution channels that include - a network of 12,600+ agents across the country, an in-house telesales team which caters to almost 500 cities, bancassurance partnership with leading Indian and international banks, large non banking financial corporations and a robust online sales channel.

Max Bupa has 1386 employees in 27 offices spread across 16 cities - Delhi, Mumbai, Hyderabad, Chennai, Bangalore, Pune, Ludhiana, Chandigarh, Jaipur, Thane, Surat, Kochi, Kolkata, Patna, Goa and Jodhpur.

Post favourable regulatory changes that enabled the distribution of health insurance products by banks in FY 2014-15, Max Bupa partnered with several leading banks and non-banking financial corporations. Today, the Company has distribution agreements with Bank of Baroda, Standard Chartered Bank, Federal Bank, RBL Bank, Deutsche Bank, Bajaj Finserv and Muthoot Finance and with top third party distributors like NJ Brokers and Policy Bazaar. These partners are helping Max Bupa offer its products and services to its customers across the country. The company's recent partnership with Bank of Baroda for distribution of its health insurance products is its largest business partnership to date and among the biggest bancassurance alliances in the health insurance segment. The partnership gives the Company access to the bank's network of 5400 domestic branches and 60 million customers across the country.

Another key development was the strengthening of the successful association of Max India and Bupa, with Bupa receiving the requisite regulatory clearances to increase its stake in the business from 26% to 49%. The application to increase Bupa's shareholding was submitted following changes to India's foreign direct investment rules to allow up to 49% ownership of insurance companies by foreign investors. Bupa demonstrated its strong commitment to the Indian market by being the first foreign investor to announce its intent to increase its shareholding in the business last year.

Max Bupa's indemnity product offerings including its flagship product Heartbeat and Health Companion continue to be well received in the market and contribute to steady sales growth. With many industry first features like international cashless treatment for 9 critical illnesses, coverage for 14 relationships in a single policy and tapering co-pay for senior citizens, Heartbeat continues to be one of the most comprehensive health insurance products in the market. The refreshed version of Health Companion saw a significant uptake in metros and tier 2 and 3 cities. The product comes with attractive geographical pricing, wherein customers can avail differentiated premiums basis their city of residence, making it relevant to wider range of customer segments across the country. Max Bupa also introduced customizable versions of Group Health Insurance and Group Personal Accident products for its Bancassurance and Alliances partners such as Ratnakar Bank, Muthoot & Bajaj Finserv in FY 2015-16. The Company will continue to innovate and expand its retail portfolio in FY 2017, to provide its customers with a wider choice of products and services.

Max Bupa invested significantly in building service differentiation through the launch of Max Bupa's unique Customer Relationship Management (CRM) system that enables a single view of customers, significantly reduces turnaround time and facilitates personalized service. It has been recognized as the best service innovation in Insurance by Celent in 2016. Post the launch of CRM, there has been a 30% reduction in call volume, reduction in average call handling time and 6% increase in first time resolution , thereby enhancing the overall customer experience.

FY 2015-16 marked the launch of Max Bupa refreshed brand identity, representing a stronger synergy between its parent companies, Max India and Bupa. The new identity was rolled out across the entire ecosystem including employees, customers and partners.

Last year also saw the transformation of Max Bupa's flagship health initiative, Walk for Health, into a national movement led by Indian Olympians. The fourth edition of Max Bupa Walk for Health initiative was a 33 day inter-state walkathon with 'Walk India Walk' as its theme. The initiative inspired 30,000 families across 5 states and 15 cities to incorporate more walking into their lives and touched 33 million Indians through an integrated multimedia campaign.

Key campaign results:

- o The social media campaign on Facebook and Twitter resulted in 265 million impressions and reached 50 million people. Celebrities, influencer and participants across multiple cities shared their experiences widely on social media, making the campaign trend on twitter six times during the 33 day walk period.
- o The initiative was widely publicized by the Times Group through a high decibel 4 week campaign which included 30 advertisements in leading Times Group publications and more than two hours of live editorial coverage on Times Now
- o The movement became a talking point across multiple platforms with more than 700 news articles in print, online and electronic media across the country.

Max Bupa's key performance indicators for the year are as follows:

1. Gross Written Premium (GWP) increased 28% to ₹ 476 crore in FY 2015-16 from ₹ 373 crore in FY 2014-15.
2. Urban customer base crossed 1 million in March 2016, increasing the overall customer base to 2 million.
3. Provider network increased to ~3,600, spanning over 480 cities in India
4. 10th largest private health insurance provider with an estimated market share of 4.3% in the private segment.
5. In addition, Max Bupa gained significant industry recognition during the year:

- Recognized as the best BFSI Brand 2016 in the Health Insurance Category by The Economic Times, owing to the brand's strong market equity, focus on innovation, 'customer first' philosophy and unique initiatives like Max Bupa Walk for Health.

- Recognized for 'Technology Maturity' at the 6th India Insurance Awards 2016 for Omni channel CRM platform which is helping the business enhance its operational and cost efficiencies and deliver exemplar customer experience.

- Emerged as the Most Trusted Health Insurance brand in the Brand Trust Report 2016. This is the third consecutive year of Max Bupa being recognized as the most trusted Health Insurance brand by the Brand Trust Report. Published by TRA, through an independent consumer research across 16 cities in India.

- Recognized for best IT practices at Model Asia Insurer of the Year 2016 for implementation of an onmichannel based integrated operational CRM solution that enables convenient, faster and more accurate services to customers, agents and partners

- The only Health Insurer to be listed as a Super brand in FY 2015-16. Superbrands is one of the biggest consumers awards in the country. The selection process involved participation from 17,000 consumers and a group of eminent jury to select the top 100 brands.

- Heartbeat Health Insurance Plan recognized as Innovation of the Year at the Golden Peacock Awards 2015 for its industry first features like health insurance coverage for 14 relationships in a single family and cashless treatement for critical illnesses abroad.

- Recognized as 'Claim Service Leader of the Year' at the 5th Indian Insurance Awards 2015 for superior claims experience offered to its customers through its 30 minutes cashless claims promise.

STRATEGY

Max Bupa will continue to build its expertise in the retail segment and be the provider of choice for high net worth and affluent segments in the top 20-25 cities in India. At the same time it will broad base the franchise to tap in to the growing mass affluent segment.

Refresh of existing indemnity and fixed benefit product portfolio as well as multiple new launches are on the anvil. Our focus will be on developing simple, easy to understand products which can be distributed effectively through multiple distribution partners.

Bank of Baroda entered into a strategic alliance with Max Bupa to offer comprehensive health insurance plans to its 60 million customers:

- o Max Bupa to offer customised over the counter products to Bank of Baroda's customers
- o Digitally enabled instant policy issuance for customers
- o Multiple sum insured options ranging from ₹ 2 Lac to 20 Lac to cover wide spectrum of the bank's customers
- o Indemnity products as well as fixed benefit offerings (Critical Illness and Personal Accident)
- o Customised product propositions for each segment - savings account and current account holders (salaried, self-employed, senior citizens), loan customers (home loan, personal loan, consumer loans), SME and Agri segments among others

Max Bupa will continue to strengthen its direct tie up with over 3,600 hospitals covering 480 cities where it facilitates a superior cashless experience for its customers. In addition, the Company supports its customers directly through its in-house team of professionals including doctors.

Max Bupa has adopted Health Risk Management (HRM) as the core enterprise philosophy. HRM ensures that risk principles guide the design and development of products, sales process, underwriting and policy servicing processes.

Max Bupa has taken significant steps towards its commitment of exemplary customer service through roll out of state of the art CRM system. CRM is a key step in Max Bupa's digital journey and the Company will invest further in digital to drive superior customer experience and operational efficiencies.

Max Bupa will continue to invest in development of its ~1400 strong workforce through deployment of a formal talent assessment, management and development framework.

REGULATORY ENVIRONMENT

During the year, the industry has seen significant changes on the regulatory front. The regulatory environment has changed significantly due to amendment of the Insurance Act and modifications in policies of the central government. In addition to introduction of new distribution channels like Point of Sale and Insurance Marketing Firms, the IRDAI also amended important regulations related to Corporate Agency, Individual Agents and Rural Social Obligations for insurers. These changes will lead to emergence of new

distribution channels and help insurers penetrate into more markets in a cost effective manner.

The regulator has also issued number of draft regulations including draft health insurance regulations and draft payment of commission/remuneration to insurance agents. These draft proposals by the IRDAI can impact multiple facets of the insurance industry and the business. Implementation of the important recommendations that has been made by the Health Insurance Committee, should lead to tangible benefits and propel industry growth. These include: a) putting curbs on mis-selling, improving transparency through standardized norms on disclosures, b) reform enabling ability to increase premiums linked to an inflation index and c) have an entry age based premium pricing model, to enable the industry cater to even the elderly, who in fact are more in need of cover and support.

OUTLOOK AND RISKS

Indian health insurance continues to remain a fundamentally attractive industry with growth projections of ~15% over next 5 years and the industry is expected to double from the current levels of ~ ₹ 27,000 crore. The industry is gradually shifting towards the B2C segment as witnessed over the last few years and is expected continue this trend – B2C segment is the fastest growing segment with a CAGR of 25% over the last 5 years. Max Bupa 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 capitalize on its market differentiation and build long-term customer relationships.

	e gov BFSI LEADERSHIP Summit & Awards 2015	THE BRAND TRUST REPORT
Golden Peacock Awards®	Loyalty Summit	Superbrand INDIA 2014-15 Consumer Validated

ANTARA
SENIOR LIVING

Tara Singh Vachani
Managing Director & CEO

Ambica Chaturvedi
Director - Human Capital

AVK Rao
Director - Finance & Accounts

Badar Afaq
Head - Information Technology

Deepa Sood
Legal Counsel

Gyanendra Pratap Singh
Head - Procurement & Contracts

Sanjay Bhatia
Head - Relationship Building

Harsh Sharma
Head - Projects

Kenneth Sannoo
Director - Community Development

Renuka Dudeja
Head - Brand & Communications

Saumyajit Roy
Director - Business Planning & Performance

Jishnu Veliyath
General Manager - Community Operations

Nitin Mathur
Head - Contracts

Antara Senior Living is an inspiration of the Max India Group to create an active, vibrant residential concept for progressive seniors. Spread over 13.6 lush green acres in Dehradun, Antara is a luxurious, fully-integrated community designed around the safety, wellness and lifestyle requirements of progressive seniors above the age of sixty. 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 well-being.

Antara thus is a luxury continuous care proposition – a comprehensive ecosystem that embraces and encourages the idea that life can be magical post sixty. 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.

At Antara, the aspiration is to create a community where our residents feel they belong with each other without truly knowing each other from the past. Common interests, beliefs and enthusiasms tie our residents together in inexplicable threads to thus build and nurture a community where friends become family. We are building a community that truly allows like-minded people to find each other and thus feel comfortable to call Antara their home. We truly believe there is no age limit on a life of activity and significance.

OUR CONCEPT AND POSITIONING

With a growing number of seniors, who are well-travelled and are accustomed to a certain quality of life and infrastructure, Antara is a community which enables them to maintain the lifestyle they're habituated to.

Carefully crafted by internationally renowned architects Perkins Eastman from New York and Esteva & Esteva from Spain and under-construction by experienced construction partners such as Shapoorjii Pallonji (Civil works), Sterling Wilson (Plumbing & Fire Fighting), Jakson (Electricals), Antara is being created with a unique design philosophy to encourage the utmost quality of living. This has been woven into the fabric of the community through a strict adherence to international standards of senior specific design intervention. With 50,000 square feet of recreational spaces, 200 plus apartments and premium facilities, Antara Senior Living brings a unique dimension to senior living in the Indian subcontinent.

At Antara Dehradun, residents will wake up to the glorious views of the Mussoorie hills, dig into curated F&B options at the restaurant, bar and deli, be pampered at the spa at the 50,000 sq. ft. clubhouse, work out with a personal trainer, exercise at the gym, plan an outing at the nearby natural reserve forests or spend the afternoon indulging in a long list of arts, sports and entertainment options.

Flanked by the super specialty Max Hospital in Dehradun, the community also provides for the complete care of resident's physical health, as well as their minds and spirit.

KEY OPERATIONAL DEVELOPMENTS OF FY 2015-16

FY 2015-16 was focused on the following initiatives:

1. Accelerating construction works for Dehradun.

2. Developing Antara's resident community.

3. Cultivating operational readiness and execution of pre-operations plan.

4. Building our corporate systems, processes and an integrated technology platform to help drive efficiency.

We are pleased to report good progress on all of these fronts.

ACCELERATING CONSTRUCTION WORKS

Antara's project team over the last 30 months, has demonstrated its ability to work in a challenging local environment and climatic conditions while focusing on delivery of high quality outputs. At an overall picture, as opposed to a full completion target of December 2015, the project is estimated to be completed by December 2016. However, 50% of the residences will have possession letters handed over from August 2016 and rest will be handed over in a phased manner over rest of the year.

The project team is working closely with finance, operations and other teams to accelerate project completion. As of March 31, 2016, structural work for all residences are completed and internal finishing works are in advances stages in residence 3, 4, 5 and 6. Engineering and utility works are also in advanced stage of completion.

DEVELOPING ANTARA'S RESIDENT COMMUNITY FOR DEHRADUN

In May 2013, the Company started bookings for the Dehradun community and has over the 33 months built a robust engine to develop the Antara brand and engage with potential residents through a highly interactive process. In line with our vision, Antara's signed-on residents today exemplify a genre of seniors who are progressive and passionate for embracing new experiences. Over the past year, Antara has pursued diverse marketing and

brand building initiatives, customer acquisition events and activities. The results of this has seen a quarter on quarter growth from 1.7 per month in March 2015 to 4.1 in December 2015.

The revised lead generation and brand building initiatives include well-planned campaigns over print and digital media in addition to advertorials, and resident and client events. The last year has also seen a renewed focus on data analytics with the successful implementation of an enterprise wide Microsoft Dynamics CRM.

CULTIVATING OPERATIONAL READINESS

The hallmark of successful high quality service delivery is prior planning and preparatory works. Antara's community operations team has completed its hiring of key team members and is spending the time pre-operations in design of its standard operating procedures, establishing operational IT systems, training programmes amongst other activities.

The operations team is also working very closely with the site projects team to be part of its quality journey, as each space within the community moves from civil to finishing activities. This close synchronisation will help the operations team complete a seamless handover from projects over the next three quarters.

BUILDING CORPORATE SYSTEMS AND PROCESSES

The Company is pleased to report that it now has a dedicated team of 95 team members catering to a variety of business functions. Majority of the additions in team have been at the project site and are now expected to be in the operations team. The Company has also invested significant time and effort in creating necessary processes and systems, and is leveraging information technology for productivity gains.

INDUSTRY OUTLOOK

Senior living as an industry category is witnessing 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 continue to be delivered as real estate products by traditional real estate developers, there are instances where non real estate players have started venturing into senior living. In terms of size of units, while most of the early communities were of a size of 100-200 units, some of the new communities have started over 400 units. The average price point in the market is also witnessing an upward trend with the concept gaining popularity in the mind space of seniors. Senior living continues to be more acceptable as a concept in South and West India with established players expanding to do more projects in their respective regions. However, there are new projects which are coming up in East and North India as well. As per our estimates, there are 10 serious players in the senior living sector in India and about 40 new entrants trying to create their first community.

FY 2016-17 OUTLOOK

Over the course of FY 2016-17, Antara's focus will be towards successfully launching the Dehradun community, seamlessly migrating from executing the project to taking good care of our residents. The Company will continue to build its brand positioning and product awareness amongst the target customers by various public relation initiatives, events and activities to generate customer leads and will create engagement programmes for signed-on residents. The Company aims to have over 180 team members on-site once the community is fully functional.

The Company will also take steps in FY 2016-17 towards charting a clear roadmap for future communities and other avenues of business growth.

Anshuman Kamthan
VP & Key Account Manager
(MBHI account)

Sarika Swarup
VP & Head - Content Development

Rajender Sud
Chief Executive Officer

Koninika Mitra
VP & Head - Human Resources

Sudhir Nair
VP & Key Account Manager
(MHC account)

Pushkar Saran
CVP & Head - Business
Operations & Strategy

Sunil Solanki
VP & Key Account Manager
(MLIC account)

INDUSTRY OUTLOOK

Skill development is widely recognised as the driver of higher productivity, better quality employment, income growth and economic development. As many as 22 million young Indians are expected to join the workforce every year until 2022. For them to form a suitably skilled workforce, the gap between education and training would need to be bridged rapidly. The Government is now trying to address this pressing necessity recognising that a majority of the Indian workforce lacks employable skills. This has led the government to create an engaging ecosystem to cater to the training needs of Indian citizens.

THE COMPANY

Skill development is equally critical for productivity growth and competitiveness at the enterprise level. According to our own estimates, Max Group will recruit over 1,50,000 employees and agent advisors over the next five years. This created a need of an efficient training Company which would help nurture a consistent pipeline of well-trained professionals in an efficient manner. With this aim, Max SkillFirst (MSF), a wholly owned subsidiary of Max India, was formed on May 1, 2015. This initiative would also enable the Max Group to build a uniform culture across all their businesses to help achieve the vision to be the most admired corporate in service excellence.

Max SkillFirst's aim is not only to introduce dynamic forms of skill enhancement and learning, but also to reinvent established training processes and challenge the traditional learning anddevelopment paradigm.

HIGHLIGHTS OF FY 2015-16

With a strong base of 300 plus trainers, Max SkillFirst has imparted over 3.5 lakh hours of training through more than 80,000 sessions in FY 2015-16. The Company has earned ₹ 35.3 crore in revenues with a PAT of ₹ 1.2 crore in its first year of operations.

IMPROVING TRAINING EFFICIENCY THROUGH TECHNOLOGY

Max SkillFirst has rolled out training administration through an Enterprise Learning Management (ELM) system in Max Life and Max Bupa. The ELM has improved workflows while enabling smooth system performance, which has led to better discipline and has generated highly positive user response on training system performance. The Company has also developed high end technology which includes 'App based learning on the Go' and use of IVR for quick recall for trainers. The unique recipe of technology enables participants to learn skills they need, anytime, anywhere, and on any device, ranging from PC to a smart phone to a Tablet.

CONTENT AS A DIFFERENTIATOR

Content is one of the key differentiators of Max SkillFirst. In FY 2015-16, there was complete transformation of content in terms of user engagement, application of instructional design principles, focus on real-life simulations and role-plays and standardisation. We have leveraged technology to transform content into game-based, immersive and adaptive solutions, using real-life scenarios and simulations. Most importantly, the content has become trainer agnostic, scalable and learner-centric. We have created 400 plus hours of classroom and 40 plus hours of e-learning and video-based content. The e-Learning modules have been developed in nine regional languages.

PEOPLE CULTURE

Max SkillFirst has adopted a "People First" strategy to create a holistic framework to address the aspirations of a 'High Performing Workforce'. As part of this strategy, there is a core employee value proposition comprising of 4Cs: Career, Certification, Culture and Compensation. In FY 2015-16, the company's focus was on building a robust foundation for the newly formed entity by streamlining people processes and creating employee friendly practices. We have focused on talent development through online and classroom learning interventions. Till date, over 280 trainers have undergone internal certification on facilitation skills and execution excellence. We have created a framework to provide opportunities to work across industries by providing cross-functional movement and career growth through internal job postings.

FY 2016-17 OUTLOOK

The company's focus for FY 2017 will be on building capacity and capability for effective business delivery in order to have impactful business results, ensuring best in class employee experience and implementing scalable technology solutions. Going forward, MSF will focus on value based hiring and a structured roadmap for learning and skill upgradation. FY 2017 will also be dedicated towards expanding the company's footprint by imparting training to other companies in the Max Group – Antara Senior Living and Max Speciality Films.

BUSINESS RESPONSIBILITY REVIEW

Max India Foundation – 2015 -16

Rashid, 50, a motor mechanic by profession and a father of four children, living in Dhakrani village in Uttarakhand was suffering from a hip problem for the last two years due to which he had become totally immobile. The sole bread earner for his family, Rashid was in a quandary about curing this ailment. It was beyond his means to consult a good doctor.

It was one of those days when a health check-up camp was organised in his village – where he went to request for help from Max India Foundation (MIF). Mohini Daljeet Singh, CEO of MIF who was present at the camp helped and directed him to the doctors who examined him and concluded that he required hip surgery to cure his condition. Looking at his financial situation, with his family's total economic dependence on him, MIF facilitated his treatment at the Max Super Speciality hospital, Dehradun pro bono. Under the able supervision of doctors at the hospital, Rashid has undergone a successful surgery.

Fatima, Rashid's wife is elated as she says, "We could never imagine that we will ever be able to afford my husband's treatment. The family was totally dependent on his earnings and I didn't know how to pay my children's fees or even buy the next meal. I'm really grateful to Max India Foundation for supporting us in hard times".

Rashid's first surgery took place in March. Already feeling quite positive, Rashid is all set to begin his new phase of life!

Multiple other cases similar to Rashid's in 6 different medical specialities including cardiology, paediatrics and gynaecology have been supported by MIF in Dhakrani as part of the village adoption project.

Max India Foundation (MIF) represents the Max Group's social responsibility aspirations, and represents the CSR efforts of all 3 Max Group holding companies, including Max India. As a part of the extension of the Max Group's core value of 'Sevabhav', two villages in Uttarakhand – Dhakrani and Chandrothi gram sabha were adopted in 2015 to improve health and hygiene levels in these villages. Numerous initiatives on healthcare, sanitation, waste management and safe drinking water have been undertaken to improve the lives of the villagers.

The volunteers from Max Life Insurance's Dehradun office have been actively involved in village outreach to spread awareness on waste management, health and hygiene along with financial literacy. So far, 400 households have been covered under this drive.

A sewerage project has been initiated in the village through Punjab based Indo-Canadian Village Improvement Trust. Around 30,000 feet of sewerage network pipes have been laid in the village and a treatment plant has been installed.

Bi-weekly health camps for women and children have been organised in the region through Bella Healthcare Charitable Trust. 87 camps have been conducted till date benefitting 5,136 patients. In all 9,384 people were touched through different health awareness campaigns.

Nine multi-speciality camps benefiting 2,651 patients, were organised with the support of Max Healthcare, Dehradun during FY 2015-16. Twelve immunisation camps supporting 1,147 children were also organised during the year.

A solid waste management system covering the entire village has been operationalised. To sustain this initiative, measures such as door to door waste collection are now in force. Colour coded waste bins have been distributed in all 1,884 households in addition to installation of community dustbins.

A production unit for sanitary napkins aimed at better hygiene for local women is under installation in Dhakrani. This unit will be run entirely by women, thus providing employment opportunity to the local women.

Max India Foundation adopted Chandrothi Gram Sabha, Dehradun as the second village under its village adoption program along with Antara Senior Living. A solar street light project in the dark winding roads of Guniyal Gaon, Chandrothi Gram Sabha, was commenced in December 2015 and is expected to be completed in mid-2016. The

Government School in 'Guniyal Gaon' has been provided with library books, sports equipment and a fully equipped Audio Visual room. A cleaning vehicle has also been commissioned in the village.

A Health centre at Antara Labour camp site caters to the immediate basic medical requirement of the nearby villagers and the surrounding areas. 8,070 patients were treated at the health centre till March 2016.

The village adaption program in Uttarakhand is in line with Max India Foundation's (MIF) mission to provide quality healthcare to the underprivileged; provide holistic and focused healthcare for the wellbeing of underserved communities; village adoption; facilitate awareness of health related issues and work for an eco-friendly environment. The Foundation seeks to achieve its mission by engaging volunteering services of Max Group employees and partnering with reputed NGOs for the execution of its chosen projects. The employee volunteerism also encourages a strong spirit of bonding between employees of the Max Group.

Guided by its vision of "Caring for Life" the Foundation since its inception in 2008, has benefitted over 1.6 million people from the underserved communities, in 667 locations across the country in partnership with more than 400 NGOs. MIF's interventions include pan India immunisation camps, health and cancer screening camps, health centres and artificial limbs & polio callipers camps along with facilitating high end surgeries and treatment.

Cancer has been a focus area recently due to the alarming increase in incidence and inability of the underserved to afford its treatment and the accompanying challenges.

MIF works on every aspect of health, from spreading awareness, screening, advocating early diagnosis to supporting treatment. The Foundation is also proactive on preventive health through immunisation and screening of children.

800 specially-abled people benefitted in FY 2015-16

800 specially-abled people were benefitted through different camps and medical interventions last year. Around 348 people were benefitted at the 'artificial limbs and calipers camp' held at Gaya district from March 5, to March 9, 2016 for the disabled. This camp was organised by Max India Foundation in association with Bhagwan Mahaveer Viklang Sahayata Samiti (BMVSS) – the organisation behind the promotion of 'Jaipur Foot', under the stewardship of His Holiness Karmapa Ogyen Trinley Dorje Dehradun.

A similar camp was organised in Dehradun with Manav Sewa Sannidhi where 219 differently-abled people benefitted.

Six motorised vehicles were given away to patients through Rajiv Gandhi Foundation while one wheelchair was donated to Agewell Foundation India, an NGO that works for the welfare of elderly.

A 'viklang' camp was organised by Bharat Vikas Parishad, Alaknanda Branch in association with Max India Foundation in January this year at Arya Samaj Mandir, GK II, and New Delhi where 46 people benefitted.

15 people are provided artificial limbs every month through Kiwanis Artificial Limb Centre.

Special Care and Support for Cancer Patients

Support to 25 oncology cases have been provided through Max Healthcare. 296 children have been supported with cancer treatment through its NGO partner – CanKids, Kidscan, an organisation dedicated to change for childhood cancer in India.

Since 2008, MIF works closely with CanSupport, an NGO that provides homecare and palliative care to patients with cancer. In the last year, 209 cancer patients have been provided palliative support while 2,557 home visits were made by the organisation with support from MIF. 'Walk for Life', an event to raise awareness on cancer is organised by CanSupport every year which is actively sponsored by MIF.

28 cancer HPV DNA tests were carried out through the Indian Cancer Society, New Delhi. Boarding and lodging of families of 45 cancer patients was provided through St. Jude India Child Care Centre, Noida.

Traditional Birth Attendant Training

Since a substantial section of the India population lives in remote areas, institutional births are not always possible. Training for traditional birth attendants (Dai) have been organised across all 13 districts of Uttarakhand. The Dehradun district Dai training phase was officially inaugurated on June 4, in Dehradun by the Honourable Health Minister Uttarakhand, Shri Surender Singh Negi. More than 1400 Dai's were trained during this campaign.

Similar trainings are being done by NGO partner Seva Mandir, Udaipur that works towards improving Maternal Health in Tribal Population of Southern Rajasthan. With support from MIF the organisation has benefitted 8,236 people since Jan 2013.

Immunisation Camps – Through its pan India immunisation program, Max India Foundation has immunised 13,475 children through 283 camps across India. 35,530 immunity shots have been given during the entire year.

Surgeries and Treatment – Max India Foundation has supported 1,010 high-end surgeries for the under-privileged. These surgeries include a large number of paediatric cardiac surgeries, brain tumour surgeries, reconstructive surgeries, neuro surgeries, orthopaedic surgeries, cataract surgeries, oncology care and renal transplant.

Health Camps for the Underprivileged – MIF organises multi-specialty camps for the underprivileged in various semi-urban and rural locations where there is no access to specialised medical treatment. Poor patients are screened and given free medicines. Surgeries and treatment are also facilitated for those in need. This year 146,403 patients have been treated through 588 camps across India.

Health Centres – In pursuance of providing quality healthcare to the under privileged, the Foundation has set up 8 health centres in Delhi, Uttarakhand and Punjab regions in partnership with like-minded NGOs. 46,045 patients have so far been treated at these health centres.

Health Awareness – Max India Foundation has been proactively running Health awareness programs in different areas of its presence. In the last financial year, 33,830 people including women and children have been touched with awareness on issues like menstrual hygiene, hand washing, healthy eating, health & hygiene, dengue and tobacco related diseases.

Disaster Relief – Relief was provided for victims of Chennai floods in December 2015 with medicines and medical supplies through CII relief operations.

Max India Foundation in collaboration with Max Healthcare initiated Operation Sadbhavna, under which relief material was dispatched for the victims. A team of doctors and volunteers from Max Healthcare along with medicines worth ₹ 4 lakhs were sent to Nepal to provide medical support to the injured.

Outlook

In its 8 years of existence, Max India Foundation has made significant strides in executing healthcare-focused CSR activities, carving a niche for itself with its quality of execution and compassion. Going ahead in FY 2017, MIF will continue its work in the principal verticals of Pan India Immunisation, Preventive Health Awareness through camps, screenings, talks, films, social media, Village Adoption, Environment Conservation.

Specifically the Foundation will focus on specific campaigns including an Anti-Tobacco Campaign, Prevention of Dengue, improving Oral Health among children, Cancer Screening, Waste Management, among others.

While Max India Foundation has consistently helped and benefitted an increasingly larger proportion of the underserved population, MIF firmly believes that there are yet significant milestones to achieve, which will be covered slowly but surely.

MAX INDIA LIMITED
(FORMERLY KNOWN AS TAURUS VENTURES LIMITED)
STANDALONE

MAX

Dear Members,

Your Directors have pleasure in presenting their first report along with the Audited Financial Statements of the Company for the period covering January 1, 2015 being the date of incorporation of the Company, upto March 31, 2016.

Financial Results

The Standalone financial performance of your Company for first financial year ended March 31, 2016 is summarized below:

(Rs. Crores)

Particulars	For the period from January 1, 2015 to March 31, 2016
Income	
Revenue from operations	68.15
Other income	0.01
Total revenue (I)	68.16
Expenditure	
Employee benefits expense	22.51
Depreciation & Amortisation	0.73
Other expenses	22.29
Total expenses (II)	45.53
Profit/(loss) before tax	22.63
Tax expense	8.29
Profit/(Loss) After Tax	14.34

Consolidated Results

The consolidated financial performance of your Company and its subsidiaries for the first financial year ended March 31, 2016 is summarized below:

(Rs. Crores)

Particulars	For the period from January 1, 2015 to March 31, 2016
Income	
Net Sales	67.31
Service Income	1044.41
Other operating revenue and investment income	100.15
Other Income	15.63
Total Revenue (I)	1227.50
Expenses	
Purchase of pharmacy and pharmaceuticals supplies	185.70
(Increase)/ decrease in inventories of traded goods	(1.23)
Employee benefits expense	319.33
Claims and other benefits payout	232.67
Other expenses	482.90
Depreciation & Amortisation	55.54
Financial Cost	40.96
Total Expenses (II)	1315.87
Profit /(Loss) Before Tax (I-II)	(88.37)
Tax Expense	10.20
Profit / (Loss) After Tax	(98.57)
Minority Interest	17.83
Profit/(Loss) after tax (after adjusting Minority Interest)	(80.74)

Scheme of Arrangement

In terms of the Composite Scheme of Arrangement amongst Max Financial Services Limited (formerly known as 'Max India Limited') ('MFSL'), Max India Limited (formerly known as 'Taurus Ventures Limited') ('the Company') and Max Ventures and Industries Limited (formerly known as 'Capricorn Ventures Limited') ('MVIL') and their respective Shareholders and Creditors, as sanctioned by the Hon'ble High Court of Punjab & Haryana vide order dated December 14, 2015 ('Composite Scheme of Arrangement'), MFSL demerged its activities relating to holding and nurturing investments in Health and Allied Activities, into the Company. Accordingly, the Investment held by MFSL in Max Healthcare Institute Limited (engaged in Healthcare business) and subsidiaries including, Max Bupa Health Insurance Company Limited (engaged in Health Insurance business) and Antara Senior Living Limited (engaged in Senior Living business) stood transferred to the Company w.e.f. Appointed Date i.e. April 1, 2015.

Share Capital and allotment of shares on account of Composite Scheme of Arrangement

Prior to the Composite Scheme of Arrangement becoming effective, the Company was a wholly owned subsidiary (WOS) of MFSL with the authorized and paid-up share capital of Rs. 500,000 (Rupees Five Lakhs only) comprising of 2,50,000 (Two Lakh and Fifty Thousand) Equity Shares of Rs. 2 each.

This initial authorised share capital of the Company was increased to Rs. 200,000,000 (Rupees Twenty Crores only) on January 13, 2016 in accordance with the provisions of applicable laws.

After the Composite Scheme of Arrangement becoming effective, the authorised share capital of MFSL, to the extent of Rs. 400,000,000 (Rupees Forty Crores only) was transferred to the Company and accordingly, the authorised share capital of the Company was increased to Rs. 600,000,000 (Rupees Sixty Crores only) as of January 15, 2016.

As per the requirement of the said Composite Scheme of Arrangement, the Company had issued and allotted a total of 266,983,999 equity shares on May 14, 2016, in the ratio of 1(one) equity share of Rs. 2 each fully paid up of the Company for every 1(one) equity share of Rs. 2 each fully paid up, held by the shareholders in MFSL on January 28, 2016 (record date) and the initial issued, subscribed and paid up share capital of Rs. 500,000 (Rupees Five Lakhs only) which was subscribed by the MFSL and its nominees was cancelled, in terms of the Composite Scheme of Arrangement.

The Paid up Equity Share Capital of the Company as on the date of the report is Rs. 53,39,67,998 (Rupees Fifty three crores Thirty nine Lacs sixty seven thousand nine hundred and ninety eight only) comprising of 26,69,83,999 equity shares of Rs. 2 each.

Change of Name and Object Clause

Your Company was originally incorporated as Taurus Ventures Limited on January 1, 2015.

Subsequently, it amended the objects clause of its Memorandum of Association and inter-alia included therein few more objects like carrying activities relating to Healthcare, Senior Living projects, Management and Consultancy Services and promoting, holding and nurturing of companies engaged in health insurance businesses, or having similar objects as that of the Company. The same has been approved and taken on record by the Registrar of Companies on November 10, 2015.

Pursuant to the Composite Scheme of Arrangement coming into effect, the Company was re-named as MAX INDIA LIMITED and a fresh Certificate of Incorporation was issued by the Registrar of Companies, Chandigarh, subsequent to change of its name on February 12, 2016, under the Composite Scheme of Arrangement and the Companies Act, 2013.

Listing of Equity Shares

The year under review is a notable year for the Company. Post the Composite Scheme of Arrangement becoming effective, the Company applied for Listing of its shares on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) and received Listing Approvals from NSE and BSE on July 11, 2016.

The equity shares of the Company are traded on NSE (Symbol 'MAX INDIA') and BSE (Scrip Code '539981') effective from July 14, 2016.

The ISIN number for dematerialisation of the equity shares of the Company is INE153U01017.

Employee Stock Option Plan

The Composite Scheme of Arrangement, inter-alia provides that with respect to the stock options granted by MFSL to its employees under its existing Employee Stock Option Scheme (ESOP)(irrespective of whether the said employees continue to be employees of MFSL or not or become the employees of the Company upon the Demerger), the said employees shall be issued one stock option by the Company under the new scheme for every stock option held in MFSL, whether the same are vested or not, on the terms and conditions similar to the existing Stock Option Scheme of MFSL.

Accordingly, the Board of directors in its meeting held on March 29, 2016, approved and adopted the existing ESOP Scheme of MFSL as ESOP Scheme of the Company and named it as "MAX INDIA EMPLOYEE STOCK PLAN – 2016".

The Company is in the process of implementation of ESOP scheme. It may be further noted that 2,503,560 stock options granted to the employees of MFSL and outstanding as on Effective date i.e. January 15, 2016 are eligible for stock options of the Company under new ESOP scheme on similar terms and conditions.

Extracts of Annual Return

An extracts of the Annual Return as at March 31, 2016 in prescribed form MGT-9 forms part of this report as Annexure 1.

Subsidiaries, Associates and Joint Ventures

Consequent to the Composite Scheme of Arrangement becoming effective from April 1, 2015 being the Appointed date, your Company has 9 (Nine) subsidiaries and 7 (seven) associate Companies (including one direct and six indirect Associates) as on March 31, 2016.

The basic details of these companies form part of the extract of Annual Return given in 'Annexure-1'.

Form AOC-1 containing the salient features of financial statements of the Company's subsidiaries and associates is attached as 'Annexure - 2'.

During the year under review, Max Neeman Medical International Limited and Max Neeman Medical International Inc. ceased to be subsidiaries of the Company effective May 1, 2015.

As provided in section 136 of the Companies Act, 2013, the financial statements and other documents of the subsidiary companies are not being attached with the financial statements of the Company. The Company will make available free of cost the Audited Financial Statements of the subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same.

The Financial Statements of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company and that of the respective subsidiary companies.

The Consolidated Financial Statements presented by the Company include financial results of its Subsidiary Companies and Associates.

Management Discussion & Analysis

A review of the performance of Company, including those of Company's operating subsidiaries and associate Companies, is provided in the Management Discussion & Analysis section which is attached elsewhere in this Annual Report.

Dividend

The year under review was the first financial year of Company's operations. Therefore, considering the future business plans of the Company, the Board of Directors did not recommend any dividend for the financial year ended 31st March, 2016, on the Equity Share Capital of the Company.

Transfer to Reserves

Consequent to the Composite Scheme of Arrangement becoming effective, the Capital Reserve amounting Rs. 1569.17 Crores and Employee Stock Option outstanding Reserve amounting Rs. 1.98 Crores, both arising on account of Composite Scheme of Arrangement, have been transferred to the Company.

The Company did not transfer any amount out of profits to General Reserve during the year.

Directors

The Board of the Company was significantly reconstituted on January 15, 2016, arising from the composite Scheme of Arrangement.

As on March 31, 2016, your Board of Directors comprises of eight members (detailed below) with one Executive Director and seven Non-Executive Directors of which three are independent.

S. No.	Name of Directors	DIN	Category/ Position	No. of Board meetings attended during their tenure (out of total 4)
1.	Mr. Rahul Khosla	03597562	Chairman* / Non-Executive Director	4
2.	Mr. Mohit Talwar	02394694	Managing Director	4
3.	Mrs. Tara Singh Vachani	02610311	Non- Executive Director	2
4.	Mr. Ashwani Windlass	00042686	Non - Executive Director	4
5.	Mr. Sanjeev Mehra#	02195545	Non - Executive Director	1
6.	Mr. N.C Singhal	00004916	Independent Director	3
7.	Mr. Ashok Brijmohan Kacker	01647408	Independent Director	4
8.	Prof. Dipankar Gupta	05213140	Independent Director	3

* Designated as Chairman w.e.f. January 18, 2016.

Ms. Lavanya Ashok was appointed as an alternate Director to Mr. Sanjeev Mehra w.e.f. April 01, 2016.

All the above stated eight directors were appointed as Additional Directors w.e.f. January 15, 2016 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 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 the Companies Act, 2013, Independent Directors are required to be appointed for a term of five consecutive years and shall not be liable to retire by rotation. Accordingly, resolutions proposing appointment of Mr. Ashok Brijmohan Kacker and Prof. Dipankar Gupta, as Independent Directors of the Company, form part of the notice of the ensuing Annual General Meeting. Mr. N.C. Singhal would retire from the Board of Directors of the Company on August 10, 2016, i.e. on completion of age of eighty years in terms of Article 113A of the Articles of Association (AOA) of the Company.

The Board of directors of the Company in its meeting held on January 15, 2016, appointed Mr. Mohit Talwar as Managing Director for five years up to January 14, 2021. The terms and conditions of his appointment form part of the notice of the ensuing Annual General Meeting seeking approval of the shareholders.

In terms of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, none of the Directors are eligible to retire by rotation in the ensuing Annual General Meeting.

Other changes that took place during the year under review are as under:

The Company had Mr. Kuldeep Singh Bisht, Mr. Kanhaiya Prasad and Mr. Harish Bhardwaj as the First Directors effective January 1, 2015.

Mr. V. Krishnan, Mr. Rahul Ahuja and Mr. Jatin Khanna were appointed as additional directors in professional capacity w.e.f. February 7, 2015, in place of first directors. Mr. V. Krishnan and Mr. Jatin Khanna ceased to be the directors on January 15, 2016. Further, Mr. Rahul Ahuja resigned from the Board on February 5, 2016.

The Board of directors in its meeting held on January 15, 2016 appointed Mr. Analjit Singh as an Additional Director and Chairman of the Company and conferred upon him the title of Founder & Chairman Emeritus, Max Group in recognition of his deep and valuable contributions to the Company's success in his capacity as its Promoters and Sponsor Director since its inception. He, later resigned and ceased to be director from January 18, 2016. The Board thereafter appointed Mr. Rahul Khosla as the Chairman of the Company effective January 18, 2016.

The Board of directors met 11 times during the first financial year of the Company ended March 31, 2016 as per details given below:

S. No.	Date	Board Strength	No. of Directors Present
1	January 22, 2015	3	3
2	February 4, 2015	3	3
3	February 7, 2015	3	3
4	April 20, 2015	3	3
5	August 10, 2015	3	3
6	September 28, 2015	3	3
7	December 4, 2015	3	3
8	January 15, 2016	3	2
	Adjourned Meeting (January 15, 2016)	9	8
9	January 18, 2016	9	5
10	February 8, 2016	8	7
11	March 29, 2016	8	7

Statement of Declaration by Independent Directors

In terms of Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has received declaration of Independence from its independent directors.

Corporate Governance

The shares of the Company were not Listed on any of the Stock Exchanges during the year under review, therefore provisions of Corporate Governance stipulated under Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations, 2015"), were not applicable.

Committees of Board of Directors

The Company has following committees of Board of directors 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.

1. **Audit Committee:**

   The Audit Committee comprising of Mr. N.C. Singhal as its Chairman and Mr. Ashok Kacker, Prof. Dipankar Gupta and Mr. Mohit Talwar – Managing Director as its members, was constituted on January 15, 2016. Mrs. Tara Singh Vachani is a permanent invitee to the Audit Committee meetings of the Company.

   All the members of the Audit Committee are financially literate and the Chairman Mr. N.C. Singhal possesses the required accounting and financial management expertise. Mr. V. Krishnan, the Company Secretary acts as the Secretary to the Committee.

   The terms of reference of the Audit Committee are in line with the relevant provisions of Companies Act, 2013 read with Listing Regulations, 2015.

   The Committee met three times during the period under review, viz., on January 15, 2016; February 8, 2016 and March 29, 2016 and the details of attendance are as under:

S. No.	Name	Category of directors	No. of Meetings attended
1.	Mr. N.C. Singhal	Independent Director	3
2.	Mr. Ashok Kacker,	Independent Director	3
3.	Prof. Dipankar Gupta	Independent Director	3
4.	Mr. Mohit Talwar	Managing Director	3

2. **Nomination & Remuneration Committee:**

   The Nomination and Remuneration committee comprising of Mr. Ashok Kacker as its Chairman and Prof. Dipankar Gupta and Mr. Rahul Khosla as its other members, was constituted on January 15, 2016.

   The terms of reference of the Nomination & Remuneration Committee are in line with the relevant provisions of Companies Act, 2013 read with Listing Regulations, 2015.

   The Nomination & Remuneration Committee met two times during the period under review, viz., on January 15, 2016 and March 29, 2016 and the details of attendance is as under:

S. No.	Name	Category of directors	No. of Meetings attended
1.	Mr. Ashok Kacker	Independent Director	2
2.	Prof. Dipankar Gupta	Independent Director	2
3.	Mr. Rahul Khosla	Non-executive Director	2

3. **Stakeholders Relationship Committee:**

   The Stakeholders Relationship Committee comprising of Mr. Ashwani Windlass as its Chairman and Mr. Ashok Kacker and Mr. Mohit Talwar as its other members, was constituted on January 15, 2016.

   The terms of reference of the Stakeholders Relationship Committee are in line with the relevant provisions of Companies Act, 2013 read with Listing Regulations, 2015.

   No meeting of Stakeholders Relationship Committee was held during the period under review.

4. **Investment & Finance Committee:**

   The Investment and Finance Committee comprising of Mr. Ashwani Windlass as its Chairman, Mr. Mohit Talwar, Mr. Sanjeev Mehra, Mr. Ashok Kacker, Mrs. Tara Singh Vachani and Mr. Rahul Khosla as its other members was constituted on January 15, 2016.

   The terms of reference of Investment & Finance Committee, inter-alia, includes reviewing and recommending the Investment and Financial activities of the Company for the approval of the Board.

   The Committee met twice during the period under review, viz., February 8, 2016 and March 29, 2016 and the details of attendance is as under:

S. No.	Name	Category of directors	No. of Meetings attended
1	Mr. Ashwani Windlass	Non - Executive Director	2
2	Mr. Mohit Talwar	Managing Director	2
3	Mr. Sanjeev Mehra	Non - Executive Director	1
4	Mr. Ashok Kacker	Independent Director	2
5	Mrs. Tara Singh Vachani	Non-executive Director	1
6	Mr. Rahul Khosla	Non-executive Director	2

5. **Corporate Social Responsibility (CSR) Committee:**

   The CSR Committee comprising of Mr. N.C. Singhal, Mr. Ashok Kacker and Prof. Dipankar Gupta, was constituted on May 25, 2016.

   The terms of reference/ mandate of CSR Committee is in line with the relevant provisions of the Companies Act, 2013.

   Independent Directors' Meeting:

   All the Independent Directors met on August 8, 2016, inter-alia, to:

   1. Review the performance of non-independent Directors and the Board as a whole;
   2. Review the performance of the Chairperson of the Company, taking into account the views of executive Directors and non-executive Directors;
   3. Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Performance Evaluation of the Board

During the current financial year, a 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.

The performance evaluation was carried out by obtaining feedback from all Directors through a confidential online survey mechanism through Board Link which is a secured electronic medium through which the Company interfaces with its Directors. The outcome of this performance evaluation was placed before Nomination and Remuneration Committee, Independent Directors' Committee and the Board in their meetings held on August 8, 2016.

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 provisions of Section 203 of the Companies Act, 2013, Mr. Mohit Talwar - Managing Director, Mr. Jatin Khanna - Chief Financial Officer and Mr. V. Krishnan – Company Secretary were designated as Key Managerial Personnel (KMP) of the Company w.e.f. January 15, 2016.

Nomination & Remuneration Policy

In adherence to the provisions of Section 134 (3)(e) and 178 (1) & (3) of the Companies Act, 2013, 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 available on our website www.maxindia.com.

Corporate Social Responsibility Policy (CSR policy)

The Board of Directors has adopted a CSR policy as approved by the Corporate Social Responsibility committee which is available on the website of the Company at www.maxindia.com.

The year under review is the first year of Company's operations, therefore the Company was not required to spend any amount on CSR activities. In view of the above, the requirement of furnishing Annual Report on CSR Activities as per the Companies (Corporate Social Responsibility Policy) Rules, 2014 is not applicable on the Company.

Disclosure under Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013

Your Company has requisite policy for prevention, prohibition and redressal of Sexual Harassment of Women at workplace. This comprehensive policy ensures gender equality and the right to work with dignity. The Internal Complaints Committee (ICC) has been constituted to redress complaints received relating to sexual harassment.

No complaint pertaining to sexual harassment was received under the provisions of this Act as of the date of this report.

Loans, Guarantees or Investments in Securities

The details of loans, guarantees and investments, if any forms part of the notes to the financial statements attached with this Annual Report.

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 accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Hence requirement of furnishing particulars of contracts or arrangements entered into by the Company with related parties referred in Section 188(1) of the Companies Act, 2013, in Form AOC-2 is considered to be not applicable to the Company.

The details of all the Related Party Transactions forms part of notes 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

As per the requirement of Section 188 Companies Act, 2013 read with Listing Regulations, 2015, appropriate resolution for the approval of the shareholders with respect to entering into an agreement with one of the related parties is being placed for your approval at the ensuing Annual General Meeting.

Risk Management

Your Company considers that risk is 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 faced by its key operating subsidiaries have been dealt in detail in the Information Memorandum filed by the Company with Stock Exchanges while obtaining approval for listing of its shares. A copy of the same can also be accessed at Company's web-site www.maxindia.com.

Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

No significant and material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and future operations of the Company.

Vigil Mechanism

The Company has a vigil mechanism pursuant to which a Whistle Blower Policy has been adopted and the same is hosted on the Company's website www.maxindia.com.

It provides opportunities to the directors and employees to report in good faith to the management about the unethical and improper practices, fraud or violation of Company's Code of Conduct. The vigil mechanism under the Policy also provides for adequate safeguard against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases.

The Company affirms that none of the personnel of the Company has been denied access to the Audit Committee.

Particulars of Employees

The information required under section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) amendment Rules, 2016, is given in Annexure - 3.

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

The information on conservation of energy, technology absorption and foreign exchange earnings & outgo as stipulated under Section 134(3)(m) of the Companies Act, 2013 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 any kind of manufacturing activities therefore, there is no specific information to be furnished in this regard.

There was no expenditure 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. 110 Lacs

Statutory Auditors

M/s S.R. Batliboi & Co., LLP, Chartered Accountants (FRN. 301003E), were appointed as the first Auditors of the Company at the 2nd Extra-Ordinary General Meeting of the Shareholders held on November 9, 2015 to hold office till the ensuing Annual general Meeting. As per the provisions of Companies Act, 2013, they are eligible for re-appointment for another term of four years starting from the conclusion of the ensuing Annual General Meeting.

The Company has received a confirmation from M/s S.R. Batliboi & Co., LLP, Chartered Accountants, to the effect that their appointment as Statutory Auditors of the Company, if made, would be within the prescribed limits under Section 139 of the Companies Act, 2013 and they are not disqualified for re-appointment. Accordingly, the Board recommends appointment of M/s. S.R. Batliboi & Co., LLP, as Statutory Auditors of the Company from the conclusion of ensuing Annual General Meeting till the conclusion of 5th Annual General Meeting to be held in the calendar year 2020.

The first Auditors Report annexed with this Annual Report, does not contain any qualification, reservation or adverse remarks.

Secretarial Audit

Secretarial Audit was not applicable to the Company during the year under review.

Internal Auditors

During the year under review, M/s. MGC & KNAV, Global Risk Advisory LLP, were appointed as Internal Auditors of the Company for conducting the Internal Audit of key functions and assessment of Internal Financial Controls.

Internal Financial Control

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 effectiveness were observed.

Further, the testing of such controls was also carried out independently by the Statutory Auditors for the financial year 2015-16.

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.

Public Deposits

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

Directors' Responsibility Statement

In terms of Section 134(3)(c) of the Companies Act, 2013 and to the best of their knowledge and belief, and according to the information and explanation provided to them, your Directors hereby confirm that:

(a) in preparation of the Financial Statements, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;

(b) such accounting policies have been selected and applied consistently and judgments and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2016 and of the profit of the Company for period ended on that date;

(c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for prevention and detection of fraud and other irregularities;

(d) the financial statements have been prepared on going concern basis;

(e) proper internal financial controls were in place and that financial controls were adequate and were operating effectively; and

(f) the systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Unclaimed Shares

In compliance of the Listing Regulations, 2015, the Company has sent two reminders to those shareholders whose certificates have been returned undelivered and is in the process of sending final reminder for those certificates that are still lying with the Registrar and Transfer Agents of the Company. In case there is no response after three reminders, the unclaimed shares shall be transferred to one folio in the name of "Unclaimed Suspense Account" and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

Proposed Composite Scheme of Amalgamation and Arrangement

The Board of Directors of your Company, on August 8, 2016, approved a Composite Scheme of Amalgamation and Arrangement amongst the Company, Max Life Insurance Company Limited ("Max Life"), HDFC Standard Life Insurance Company Limited ("HDFC Life") and Max Financial Services Limited ("MFSL"), and their respective shareholders and creditors ("Scheme"), which inter alia provides for:

(a) Amalgamation of Max Life into and with MFSL and the issuance of Equity Shares by MFSL to the shareholders of Max Life (excluding

MFSL itself), based on the share exchange ratio of 1 share of face value of Rs. 2/- each of MFSL for every approx 5 shares of face value of Rs. 10/- each held in Max Life, on a Record Date to be specified for this purpose in accordance with the Scheme;

(b) Demerger of the undertaking pertaining to the Life Insurance Business of Max Life arising from the amalgamation referred to in sub-clause (a), into HDFC Life and the issuance of Equity Shares by HDFC Life to the shareholders of MFSL (including the shareholders to whom shares allotted pursuant to (a) above) based on the share entitlement ratio of approx 7 shares of face value of Rs. 10/- each of HDFC Life for every 3 shares of face value of Rs. 2/- each held in MFSL, on a Record Date to be specified for this purpose in accordance with the Scheme; and

(c) Amalgamation of MFSL which remains after the demerger referred to sub-clause (b) into and with the Company and the issuance of Equity Shares by the Company to the shareholders of MFSL (including the shareholders to whom shares allotted pursuant to (a) above), based on the share exchange ratio of 1 share of face value of Rs. 2/- each of the Company for every 500 shares of face value of Rs. 2/- each held in MFSL, on a Record Date to be specified for this purpose in accordance with the Scheme.

The aforesaid Scheme is contemplated to consolidate the Life Insurance Business of Max Life into and with HDFC Life as both Max Life and HDFC Life have strong margins and synergies and the product mix of their combined businesses shall be well diversified. The combined entity arising out of such an arrangement shall have better prospects of growth. This Scheme shall lead to the eventual listing of HDFC Life on the National Stock Exchange of India Limited and BSE Limited. This Scheme is expected to provide greater financial strength and flexibility and better access to funds.

The implementation of the Scheme is subject to the receipt of all necessary corporate, third party and regulatory approvals (including approvals from the Insurance Regulatory Development Authority of India and the Competition Commission of India). The final Scheme shall be presented to the shareholders of the Company for their consideration and approval in the meeting of the shareholders of the Company convened by the Hon'ble High Court of Punjab and Haryana or the relevant National Company Law Tribunal, once cleared by the applicable stock exchanges and all the regulatory authorities including the Insurance Regulatory and Development Authority and Competition Commission of India. In the interim, in-principle approval of the shareholders of the Company for the Scheme is being taken separately through postal ballot process.

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 would like to place on record their sincere appreciation for the continued co-operation and contribution made by its management and employees that have enabled the Company to achieve impressive growth. 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.

On behalf of the Board of Directors
Max India Limited
(formerly Known as Taurus Ventures Limited)

Mumbai
August 8, 2016

Rahul Khosla
Chairman

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on March 31, 2016
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	U85100PB2015PLC039155
ii	Registration Date	01-01-2015
iii	Name of the Company	Max India Limited (formerly known as Taurus Ventures Limited)
iv	Category/Sub-category	Public Company Limited by Shares; Indian Non-Government Company
v	Address of the Registered office & contact details	419, Bhai Mohan Singh Nagar Railmajra Tehsil Balachaur, Dist Nawanshahr, Punjab – 144 533 Phone : 01881-462000/ Fax : 01881-273607 E-mail : investorhelpline@maxindia.com
vi	Whether listed company	The Shares of the Company were not Listed on Stock Exchanges as on March 31, 2016. Subsequent to year end, these are Listed at NSE and BSE w.e.f. July 14, 2016.
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Mas Services Limited T-34, 2nd 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

The Company is engaged in the business of investments and providing consultancy services to group companies. However, since it is primarily engaged only in one business segment viz, "Business Investment" and most of the operations are in India, there are no separate reportable segments as per Accounting Standard 17 prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014

The Business Activities of the Company namely Management Consultancy (NIC Code: 70200) and Investing in Subsidiaries (NIC Code: 64200), respectively constitutes 23% and 77% of total turnover of the Company.

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Prior to the Composite Scheme of Arrangement becoming effective, the Company was the wholly owned subsidiary (WOS) of Max Financial Services Limited (MFSL) with the authorized and paid-up share capital of Rs. 500,000 (Rupees Five Lakhs only) comprising of 2,50,000 (Two Lakh and Fifty Thousand) Equity Shares of Rs. 2 each.

After the Composite Scheme of Arrangement becoming effective, the initial issued, subscribed and paid up share capital of Rs. 500,000 (Rupees Five Hundred Thousand only) which was subscribed by the MFSL and its nominees was cancelled. And therefore, Company ceased to be the subsidiary of MFSL w.e.f. May 14, 2016.

As on March 31, 2016, 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	74.00%	2 (87) of the Companies Act, 2013
2.	Antara Senior Living Limited Max House 1, Dr. Jha Marg, Okhla New Delhi – 110 020.	U74140DL2011PLC218781	Subsidiary	100%	2 (87) of the Companies Act, 2013
3.	Antara Purukul Senior Living Limited Antara Senior Living Guniyal Gaon, P.o. Sinola Dehradun Dehradun, UR 248003	U74120UR1995PLC018283	Subsidiary	100%	2 (87) of the Companies Act, 2013
4.	Antara Gurgaon Senior Living Limited. Max House 1, Dr. Jha Marg, Okhla New Delhi – 110 020.	U74140DL2012PLC244411	Subsidiary	100%	2 (87) of the Companies Act, 2013
5.	Pharmax Corporation Limited Bhai Mohan Singh Nagar Railmajra, Tehsil Balachaur Dist. Nawanshahr Punjab – 144 533.	U24232PB1989PLC009741	Subsidiary	85.21%	2 (87) of the Companies Act, 2013

ANNEXURE – 1

Sl. No.	Name and address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
6.	Max Skill First Limited (formerly Max Healthstaff International Limited) Max House, 1, Dr. Jha Marg, Okhla New Delhi – 110 020.	U85199DL2003PLC119249	Subsidiary	100%	2 (87) of the Companies Act, 2013
7	Max One Distribution and Services Limited Max House 1, Dr. Jha Marg, Okhla New Delhi – 110 020.	U74140DL2013PLC254577	Subsidiary	100%	2 (87) of the Companies Act, 2013
8.	Max Ateev Limited Max House 1, Dr. Jha Marg, Okhla New Delhi – 110 020.	U74899DL1994PLC060700	Subsidiary	100%	2 (87) of the Companies Act, 2013
9.	Max UK Limited Coveham House, Downside Bridge Road Cobham, Surrey KT11 3EP United Kingdom	NA	Subsidiary	100%	2 (87) of the Companies Act, 2013
10.	Max Healthcare Institute Limited** Max House 1, Dr. Jha Marg, Okhla New Delhi – 110 020.	U72200DL2001PLC111313	Associate Company	46.28%	2 (6) of the Companies Act, 2013
11.	Max Medical Services Limited*** Max House 1, Dr. Jha Marg, Okhla New Delhi – 110 020.	U74899DL1994PLC061314	Associate Company	46.28%	2 (6) of the Companies Act, 2013
12.	Alps Hospital Limited *** Max House 1, Dr. Jha Marg, Okhla New Delhi – 110 020	U74899DL1989PLC036413	Associate Company	46.28%	2 (6) of the Companies Act, 2013
13.	Hometrail Estate Private Limited *** Max House 1, Dr. Jha Marg, Okhla New Delhi – 110 020	U45400DL2008PTC176963	Associate Company	46.28%	2 (6) of the Companies Act, 2013
14.	Hometrail Buildtech Private Limited *** Max House 1, Dr. Jha Marg, Okhla New Delhi - 110 020	U45400DL2008PTC176962	Associate Company	46.28%	2 (6) of the Companies Act, 2013
15	Crosslay Remedies Limited*** A 14, Pushpanjali, Vikas Marg Extension, New Delhi 110092	U24239DL2002PLC113719	Associate Company	36.34%	2 (6) of the Companies Act, 2013
16	Saket City Hospitals Private Limited*** Mandir Marg Saket, New Delhi 110017	U85110DL1991PTC042646	Associate Company	23.59%	2 (6) of the Companies Act, 2013

* consequent to dilution of stake in Max Bupa Health Insurance Company Limited (Max Bupa), effective June 9, 2016 the Company's holding in Max Bupa stood reduced to 51%.

** Shareholding of the Company in Max Healthcare Institute Limited has been reduced to 45.95% during the quarter ended June 30, 2016.

*** Subsidiaries of Max Healthcare Institute Limited

IV **SHAREHOLDING PATTERN (Equity Share capital Breakup as percentage to Total Equity)**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	0	6*	6	0.00	0	6*	6	0.00	0.00
b) Central Govt	-	-	-	-	-	-		-	-
c) State Govt(s)	-	-	-	-	-	-		-	-
d) Bodies Corp.	0	2,49,994	2,49,994	100.00	0	2,49,994	2,49,994	100.00	0.00
e) Banks / FI	-	-	-	-	-	-		-	-
f) Any other -	-	-	-	-	-		-	-	
Total shareholding of Promoter (A)	**0**	**2,50,000**	**2,50,000**	**100.00**	**0**	**2,50,000**	**2,50,000**	**100.00**	**0.00**
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs -	-	-	-	-	-	-	-	-	
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify) FDI	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian -	-	-	-	-	-	-	-	-	
ii) Overseas -	-	-	-	-	-	-	-	-	
b) Individuals	-	-	-	-	-	-	-	-	-
I) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)									
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts -	-	-	-	-	-	-	-	-	
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
C. Shares held by Custodian for GDRs & ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total (A+B+C)	**0**	**2,50,000**	**2,50,000**	**100.00**	**0**	**2,50,000**	**2,50,000**	**100.00**	**0.00**

* Shares held as nominees of Max Financial Services Limited (formerly Max India Limited).

(ii) SHARE HOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding 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	Max Financial Services Limited (formerly Max India Ltd.)	2,49,994	100.00	0.00	2,49,994	100.00	0.00	0.00
2	Mr. Jatin Khanna*	1	0.00	0.00	1	0.00	0.00	0.00
3	Mr. V. Krishnan*	1	0.00	0.00	1	0.00	0.00	0.00
4	Mr. Dilbagh Singh Narang*	1	0.00	0.00	1	0.00	0.00	0.00
5	Mr. Rahul Ahuja*	1	0.00	0.00	1	0.00	0.00	0.00
6	Mr. Pradeep Pal Chadha*	1	0.00	0.00	1	0.00	0.00	0.00
7	Mr. M.G. Rajagopalan*	1	0.00	0.00	1	0.00	0.00	0.00

* Shares held as nominees of Max Financial Services Limited (formerly Max India Limited)

iii) C) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sl No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1.	**Max Financial Services Limited (formerly Max India Limited)**				
	At the beginning of the year	2,49,994	100.00	-	-
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year	-	-	2,49,994	100.00
2.	**Mr. Jatin Khanna***				
	At the beginning of the year	1	0.00	-	-
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year	-	-	1	0.00
3.	**Mr. V. Krishnan***				
	At the beginning of the year	1	0.00	-	-
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year	-	-	1	0.00
4.	**Mr. Dilbagh Singh Narang***				
	At the beginning of the year	1	0.00	-	-
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year	-	-	1	0.00
5.	**Mr. Rahul Ahuja***				
	At the beginning of the year	1	0.00	-	-
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year	-	-	1	0.00
6.	**Mr. Pradeep Pal Chadha***				
	At the beginning of the year	1	0.00	-	-
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year	-	-	1	0.00
7.	**Mr. M.G. Rajagopalan***				
	At the beginning of the year	1	0.00	-	-
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year	-	-	1	0.00

* Shares held as nominees of Max Financial Services Limited (formerly Max India Limited)

iv) **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	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1.	Max Financial Services Limited (formerly Max India Limited)				
	At the beginning of the year	2,49,994	100.00	-	-
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year	-	-	2,49,994	100.00
2.	Mr. Jatin Khanna*				
	At the beginning of the year	1	0.00	-	-
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year	-	-	1	0.00
3.	Mr. V. Krishnan*				
	At the beginning of the year	1	0.00	-	-
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year	-	-	1	0.00
4.	Mr. Dilbagh Singh Narang*				
	At the beginning of the year	1	0.00	-	-
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year	-	-	1	0.00
5.	Mr. Rahul Ahuja*				
	At the beginning of the year	1	0.00	-	-
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year	-	-	1	0.00
6.	Mr. Pradeep Pal Chadha*				
	At the beginning of the year	1	0.00	-	-
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year	-	-	1	0.00
7.	Mr. M.G. Rajagopalan*				
	At the beginning of the year	1	0.00	-	-
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year	-	-	1	0.00

* Shares held as nominees of Max Financial Services Limited (formerly Max India Limited)

v) **Shareholding of Directors' and Key Managerial Personnel**

Sl No.	Shareholding of each Directors and each Key Managerial Personnel	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Directors				
1	**Mr. Rahul Khosla**				
	At the beginning of the year	0	0.00	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	0	0.00
2	**Mrs. Tara Singh Vachani**				
	At the beginning of the year	0	0.00	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	0	0.00
3	**Mr. Ashwani Windlass**				
	At the beginning of the year	0	0.00	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	0	0.00
4	**Mr. Sanjeev Mehra**				
	At the beginning of the year	0	0.00	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	0	0.00
5	**Mr. N.C Singhal**				
	At the beginning of the year	0	0.00	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	0	0.00
6	**Mr. Ashok Brijmohan Kacker**				
	At the beginning of the year	0	0.00	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	0	0.00
7	**Prof. Dipankar Gupta**				
	At the beginning of the year	0	0.00	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	0	0.00
	Key Managerial Personnel				
1	**Mr. Jatin Khanna - CFO***				
	At the beginning of the year	1	0.00	-	-
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year	-	-	1	0.00
2	**Mr. V. Krishnan - CS***				
	At the beginning of the year	1	0.00	-	-
	Increase / Decrease in Shareholding during the year	0	0	0	
	At the end of the year	-	-	1	0.00
3	**Mr. Mohit Talwar - MD**				
	At the beginning of the year	0	0.00	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	0	0.00

*Shares held as nominees of Max Financial Services Limited (formerly known as Max India Limited)
Note: Above stated directors and KMPs have been appointed effective from January 15, 2016.

(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 Director and/or Manager:**

Sl. No.	Particulars of Remuneration	Name of the MD/WTD/Manager Mr. Mohit Talwar, MD (w.e.f. January 15, 2016)	Total Amount (Rs.)
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	49,41,306	49,41,306
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961 except stock options	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
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)	49,41,306	49,41,306
	Ceiling as per the Act	-	

B. Remuneration to other directors:

SN.	Particulars of Remuneration	Name of Directors								Total Amount
		Mr. Rahul Khosla	Mrs. Tara Singh Vachani	Mr. N.C. Singhal	Prof. Dipankar Gupta	Mr. Ashok Kacker	Mr. Analjit Singh*	Mr. Ashwani Windlass	Mr. Sanjeev Mehra	
1	Independent Directors:									
	Fee for attending board committee meetings	–	–	600,000	800,000	11,00,000	–	–	–	25,00,000
	Commission	–	–	–	–	–	–	–	–	–
	Others, please specify	–	–	–	–	–	–	–	–	–
	Total (1)	–	–	600,000	800,000	11,00,000	–	–	–	25,00,000
2	Other Non-Executive Directors:									
	Fee for attending board committee meetings	800,000	300,000	–	–	–	200,000	600,000	–	19,00,000
	Commission	–	–	–	–	–	–	–	–	–
	Others, please specify	–	–	–	–	–	–	–	–	–
	Total (2)	800,000	300,000				200,000	600,000	–	19,00,000
	Total (B)=(1+2)								–	
	Total Managerial Remuneration	800,000	300,000	600,000	800,000	11,00,000	200,000	600,000		44,00,000
	Overall Ceiling as per the Act									

*ceased to be director w.e.f. January 18, 2016.

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 (w.e.f. January 15, 2016)	Mr. Jatin Khanna CFO (w.e.f. January 15, 2016)	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	30,27,579	14,52,102	45,52,431
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961 except stock options	-	6,881	8,410	15,291
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	
2	Stock Option	-	-	-	
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit				
	- others, specify...				
5	Others:				
	- Company Contribution to PF	-	72,750	66,947	1,39,697
	- Medical Remibursement		15,000	8,585	23,585
	- Medical Insurance Premium	-	-	12,504	12,504
	- Personal Accident Insurance Premium		-	96	96
	Total (A)	-	31,22,210	15,48,644	47,43,604

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	None				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	None				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	None				
Punishment					
Compounding					

Annexure 2
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

(Information in respect of each subsidiary to be presented with amounts in Rs)

(Amt. in Rs. Lacs)

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 Share-holding
1	Max Bupa Health Insurance Co. Ltd.	31.03.2016	INR	89,800.00	(68,931.97)	64,511.94	43,643.91	56,645.42	(6,373.97)	(6,849.79)	-	(6,849.79)	-	74.00%
2	Pharmax Corporation Ltd	31.03.2016	INR	2,055.77	764.20	3,383.57	563.61	868.04	624.06	314.57	145.81	168.76	-	85.21%
3	Max Ateev Limited	31.03.2016	INR	3,144.36	(3,830.69)	14.06	700.39	-	-	(5.87)	-	(5.87)	-	100.00%
4	Max Skill First Ltd	31.03.2016	INR	969.50	(2,180.95)	1,610.72	2,822.17	450.00	3,525.38	123.99	-	123.99	-	100.00%
5	Max One Distribution and Services Ltd	31.03.2016	INR	450.00	(541.58)	34.74	126.31	-	15.23	(186.18)	-	(186.18)	-	100.00%
6	Antara Senior Living Ltd	31.03.2016	INR	15,271.42	(2,435.41)	13,402.81	566.80	852.00	1,630.08	(684.57)	0.00	(684.57)	-	100.00%
7	Antara Purukul Senior Living Ltd	31.03.2016	INR	821.90	(9,720.07)	33,716.94	42,615.12	0.00	106.03	(2,129.31)	(1.46)	(2,127.85)	-	100.00%
8	Antara Gurgaon Senior Living Ltd	31.03.2016	INR	5.00	(1.56)	3.64	0.20	-	-	(0.47)	-	(0.47)	-	100.00%
9	Max UK Ltd	31.03.2016	GBP	213.00	(57.12)	172.08	16.21	-	139.28	12.87	2.37	10.50	-	100.00%

ANNEXURE – 2 (PART B)

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-16
(2)	Shares of Associates/Joint Ventures held by the company on the year end	
	No.	
	Amount of Investment in Associates/Joint Ventures	49,412.68
	Extend of Holding %	46.27%
(3)	Description of how there is significant influence	Max India Ltd. holds 46.27% 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	52,131.48
(6)	Profit/Loss for the year^	(1,377.10)
	i. Considered in Consolidation	(661.21)
	ii. Not Considered in Consolidation	(715.89)

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

^ As per MHIL Consolidated financals

Information required under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016:

(i) Ratio of remuneration of each Director to the Median Remuneration of Employees excluding Managing Director for the financial year ended on 31st March, 2016 is as follows:

Mr. Mohit Talwar (appointed as Managing Director on January 15, 2016): 8.5

Note:

1) This ratio has been calculated for remuneration of all employees pro-rated for 77 days which reflects a like to like comparison for the Managing Director and rest of the employees.

2) 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 be considered while disclosing particulars under S. No. i).

(ii) Percentage increase/(decrease) in the remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year 2015-16: Not applicable as the year under review is the first financial year of the Company.

(iii) The Percentage increase in the median remuneration of all employees in the financial year 2015-16: Not applicable as the year under review is the first financial year of the Company.

(iv) The Company had 48 permanent employees on its rolls as on 31st March, 2016.

(v) The average percentile increase in salaries of employees other than managerial personnel in the financial year 2015-16 in comparison with percentile increase in managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Not applicable as the year under review is the first financial year of the Company.

(vi) The Company confirms that remuneration paid during the year 2015-16, is as per the Remuneration Policy of the Company.

ANNEXURE – 3 (PART B)

PARTICULARS OF EMPLOYEES

INFORMATION AS PER SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5 (2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2016 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 2016

Sl. No.	Name	Age (Yrs.)	Designation	Nature of duties	Remuneration (in Rs.)	Qualification	Date of Commencement of employment	Date of Cessation of employment	Experience (Yrs.)	Last Employment Held Organisation	Position held
	Details of top ten employees in terms of remuneration, including										
A.	Employees employed throughout the year and were in receipt of remuneration of not less than Rs. 1,02,00,000/- per annum										
1	Hoskote, Prashant	50	Senior Director - Quality & Service Excellence	Quality & Service Excellence	17,595,089	BSc., Diploma in Computer Science & Management, Certified Trainer & Facilitator from the Juran Institute, INC, USA	07.06.2010		29	Mashreqbank	Sr. Vice President and Head - Customer Experience & Quality Division
2	Krishnan, V	52	Company Secretary	Corporate Law Matters	12,548,201	B.Com, FCS	18.06.2003		31	Self employed	
B.	Employees employed for part of the year and were in receipt of remuneration of not less than Rs. 8,50,000/- per month										
3	Ahuja, Rahul	44	Chief Financial Officer	Finance/Accounts	7,574,184	B.Com (Hons), CA	05.03.2012	31.05.2015	20	Tulip Telecom Limited	Chief Financial Officer
4	Basu Shahana	48	Director - Legal & Regulatory Affairs	Legal & Regulatory Affairs	1,880,191	Degree of Juris Doctor from Yale Law School, Connecticut and M.A. Sociology from University of Chicago	01.02.2016		17	Amira Pure Foods Pvt. LTd.	Global General Counsel
5	Dwarakanath, P.	69	Head - Group Human Capital	Group Human Resources	6,686,798	B. Sc., L.L.B., PGDM (PM & IR)	01.12.2015		46	Max Financial Services Limited (formerly known as Max India Limited)	Director-Group Human Capital
6	Kapoor, Rohit	42	Sr. Director - Strategy & Business Performance	Strategy & Business Performance	9,069,016	PGP (ISB), CFA	30.06.2012	31.07.2015	19	Religare Enterprises Limited	Director & Head - Business Strategy
7	Khurana Munish	44	Director - Strategy & Business Performance	Strategy & Business Performance	8,812,978	PGDBA, BSC	21.09.2015		20	Nokia Solutions and Networks India Pvt. Ltd.	Head of New Portfolio & Strategy, CSSC
8	Mohan AVK	51	Head - Group Human Capital	Group Human Resources	20,799,260	MA (PM&IR), Tata Institute	01.11.2014	01.11.2015	27	EXL Service.Com India Pvt Ltd.	EVP & Global Head of HR
9	Panwar Dharmendra	49	Head - Internal Audit	Internal Audit	883,156	B.Com (Hons), CISA, CA	05.04.2012	06.05.2015	24	Fortis Healthcare India Limited	Head - Internal Audit
10	Poddar Vijay Vaibhav	33	Associate Director - Strategy & Business Performance	Strategy & Business Performance	3,708,109	MMS, BE	12.03.2012	30.06.2015	10	McKinsey & Company Inc, India	Engagement Manager
11	Ramasubramanian, Suresh	47	Director - Human Capital	Human Capital	15,712,888	B. Com, PGDPMIR	18.07.2012	30.06.2015	25	ICICI Venture Funds Management Company Limited	Head - Human Resources & Sr. Director
12	Raghu, C. V.	53	Senior Director - Legal & Regulatory Affairs	Legal & Regulatory Affairs	25,920,206	Bachelor of Science & Law, PGD IR & PM	30.07.2008	30.11.205	26	American Express Banking Corp, General Counsel's Office	VP & Group Counsel India & Area Countries
13	Talwar, Mohit	56	Managing Director	General Management	4,941,306	Post Graduate (Arts), Post Graduate (Hospitality Management)	15.01.2016		37	Standard Chartered Bank	Director & Head Wholesale Bank, East India
14	Vohra, Anuj	43	Dy. Director - Corporate Development	Corporate Development	5,377,910	B. Com (Hons), PGDM	29.06.2012	06.04.2015	20	Barclays Bank	Head Credit - Large Corporates

Notes :

1 Remuneration comprises of 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.

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 140106 equity shares constituting 0.05% of the equity share capital of the Company as of the date of this report.

5 None of the above employees hold by himself or alongwith his spouse and dependent children 2% or more equity shares of the Company.

6 Total Remuneration includes the remuneration paid by Max Financial Services Limited (formerly Max India Limited) from appointed date i.e. April 01,2015 to January 31, 2016 and transferred to the Company pursuant to the Composite Scheme of Arrangement. The details pertaining to last employment and positions held contains the details of positions held by these employees prior to joining Max Financial Services Limited.

On behalf of the Board of Directors

Mumbai
August 8, 2016

Rahul Khosla
Chairman

INDEPENDENT AUDITOR'S REPORT

To the Members of Max India Limited (formerly Taurus Ventures Limited)

Report on the Financial Statements

We have audited the accompanying standalone financial statements of Max India Limited (formerly Taurus Ventures Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by 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, 2016, its profit, and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 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 purpose of our audit;

   (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

   (e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (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, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company does not have any pending litigations which would impact its financial position;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There were no amounts which were 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 Manoj Kumar Gupta
Partner
Membership No.: 83906

Place: Gurgaon
Date: May 25, 2016

Annexure 1 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 (formerly Taurus Ventures Limited)("the Company")

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in fixed assets are held in the name of the company.

(ii)(a) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.

(iii)(a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions ofclause 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 to directors including entities in which they are interested and 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 from the public.

(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 generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax, duty of custom, cess and other material statutory dues applicable to it. The provisions relating to sales tax, duty of excise, value added tax are not applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, duty of custom, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to sales tax, duty of excise, value added tax are not applicable to the Company.

(c) According to the information and explanations given to us, there are no dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess which have not been deposited on account of any dispute.

(viii) The Company did not have any outstanding dues in respect of banks, financial institution or debenture holders or government.

(ix) According to the information and explanations given by the management, the Company has not raised any money 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 no material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the Company is in the process of obtaining shareholders' approval for managerial remuneration which has been paid over and above approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013, aggregating Rs.24.41 lacs as at March 31, 2016.

(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) 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) 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 as referred to in section 192 of Companies Act, 2013.

(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 the current period.

For S.R. BATLIBOI & CO LLP
Chartered Accountants
ICAI Firm registration number: 301003E/ E300005

per Manoj Kumar Gupta
Partner
Membership No.: 83906

Place: Gurgaon
Date: May 25, 2016

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MAX INDIA LIMTED (FORMERLY TAURUS VENTURES LIMITED)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of Max India Limited (formerly Taurus Ventures Limited)

We have audited the internal financial controls over financial reporting of Max India Limited (formerly Taurus Ventures Limited) ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the period 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 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, both 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 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting 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 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

Because of the inherent limitations of internal financial controls over financial reporting, 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 to future periods are subject to the risk that the internal financial control over financial reporting 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, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, 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 Manoj Kumar Gupta
Partner
Membership No.: 83906

Place: Gurgaon
Date: May 25, 2016

BALANCE SHEET
AS AT MARCH 31, 2016

(Rs. in Lacs)

	Notes	As at March 31, 2016
Equity and liabilities		
Shareholders' funds		
Share capital	4	5.00
Share capital pending allotment	31	5,334.68
Reserves and surplus	5	158,577.98
		163,917.66
Non-current liabilities		
Long-term provisions	7	210.08
		210.08
Current liabilities		
Trade payables	8	
- Total outstanding dues of micro enterprises and small enterprises		
- Total outstanding dues of creditors other than micro enterprises and small enterprises		247.80
Other current liabilities	8	363.70
Short-term provisions	7	123.62
		735.12
TOTAL		**164,862.86**
Assets		
Non-current assets		
Fixed assets		
Tangible assets	10	271.94
Capital work-in- progress		2.19
Non-current investments	9	134,631.92
Deferred tax assets	6	-
Loans and advances	11	11,900.24
		146,806.29
Current assets		
Current investments	12	16,162.81
Cash and bank balances	13	84.02
Loans and advances	11	80.43
Other current assets	14	1,729.31
		18,056.57
TOTAL		**164,862.86**
Summary of significant accounting policies	3	

The accompanying notes are an integral part of the financial statements
As per our report of even date

For S.R.Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Manoj Gupta
Partner
Membership Number: 83906

Place : Gurgaon
Date : May 25, 2016

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

Mohit Talwar
(Managing Director)
(DIN 02394694)

N. C. Singhal
(Director)
(DIN 00004916)

Jatin Khanna
(Chief Financial Officer)

V. Krishnan
(Company Secretary)

Place : New Delhi
Date : May 25, 2016

STATEMENT OF PROFIT AND LOSS
FOR THE PERIOD JANUARY 01, 2015 TO MARCH 31, 2016

(Rs. in Lacs)

	Notes	For the period from January 01, 2015 to March 31, 2016
Income		
Revenue from operations	15	6,814.39
Other income	16	1.25
Total revenue (I)		**6,815.64**
Expenses		
Employee benefits expense	17	2,250.87
Depreciation expense	19	73.10
Other expenses	18	2,228.97
Total expenses (II)		**4,552.94**
Profit before tax		**2,262.70**
Tax expense		
Current tax		829.12
Deferred tax		-
Total tax expense		**829.12**
Profit after tax		**1,433.58**
Earnings per equity share	20	
[Nominal value of shares Rs. 2/-]		
Basic (Rs.)		0.54
Diluted (Rs.)		0.53
Summary of significant accounting policies	3	

The accompanying notes are an integral part of the financial statements
As per our report of even date

For S.R.Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Manoj Gupta
Partner
Membership Number: 83906

Place : Gurgaon
Date : May 25, 2016

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

Mohit Talwar
(Managing Director)
(DIN 02394694)

N. C. Singhal
(Director)
(DIN 00004916)

Jatin Khanna
(Chief Financial Officer)

V. Krishnan
(Company Secretary)

Place : New Delhi
Date : May 25, 2016

CASH FLOW STATEMENT
FOR THE PERIOD JANUARY 01, 2015 TO MARCH 31, 2016

(Rs. in Lacs)

	For the period from January 01, 2015 to March 31, 2016
Cash flow from operating activities	
Net profit before tax	2,262.70
Non cash adjustments to reconcile profit before tax to net cash flows:	
Depreciation	73.10
Interest income	(464.74)
Option fees	(3,104.79)
Net loss on sale of fixed assets	8.04
Net profit on sale of current investments	(1,691.32)
Fixed assets written off	0.07
Liability/ provisions no longer required written back	(0.09)
Provision for doubtful advances - subsidiary	6.91
Employee stock option expense	23.99
Operating profit before working capital changes	**(2,886.13)**
Movement in working capital :	
Decrease in trade payables	(124.75)
Increase in other current liabilities	159.35
Increase in long term provisions	52.65
decrease in short term provisions	(93.50)
Increase in long-term loans and advances	(4,496.39)
Decrease in short-term loans and advances	161.05
Increase in other current assets	406.46
Cash generated from/(used in) operations	(7,634.18)
Direct taxes (paid)/ net of refunds	(837.59)
Net cash flow used in operating activities (A)	**(8,471.77)**
Cash flow from investing activities	
Purchase of fixed assets, including CWIP and capital advances	(155.34)
Proceeds from sale of fixed assets	29.00
Purchase of non- current investments	(23,275.00)
Purchase of current investments	(45,960.00)
Proceeds from sale/maturity of current investments	69,283.68
Option fees received	3,000.36
Interest received	474.05
Net cash flow from /(used in) investing activities (B)	**3,396.95**
Cash flow from financing activities	
Proceeds from issue of share capital	5.00
Net cash flow from /(used in) financing activities (c)	**5.00**
Net decrease in cash and cash equivalents (A + B + C)	(5,070.02)
Cash and cash equivalents transferred on demerger (refer note 31)	5,154.04
Cash and cash equivalents at the end of the year	**84.02**

Components of cash and cash equivalent

(Rs. in Lacs)

	For the period from January 01, 2015 to March 31, 2016
Cash on hand	0.77
Cheques/drafts on hand	0.65
Balances with banks	
on current account	82.60
Total cash and cash equivalents	**84.02**

Summary of significant accounting policies 3

The accompanying notes are an integral part of the financial statements
As per our report of even date

For S.R.Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Manoj Gupta
Partner
Membership Number: 83906

Place : Gurgaon
Date : May 25, 2016

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

Mohit Talwar
(Managing Director)
(DIN 02394694)

N. C. Singhal
(Director)
(DIN 00004916)

Jatin Khanna
(Chief Financial Officer)

V. Krishnan
(Company Secretary)

Place : New Delhi
Date : May 25, 2016

1. **Corporate information**

Max India Limited (the Company) is a public limited company registered under Companies Act, 2013 and incorporated on January 01, 2015. Its shares are in the process of listing on stock exchanges in India.

The Company is primarily engaged in making business investments in its industries and providing shared services to the group companies.

2. **Basis of preparation**

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on accrual basis and under the historical cost convention.

3. **Summary of significant accounting policies**

3.1 **Use of estimates**

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

3.2 **Tangible fixed assets**

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

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

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

3.3 **Depreciation on tangible fixed assets**

Leasehold improvement is amortized on straight line basis over the period of lease.

Depreciation on fixed assets is calculated on straight-line basis using the rates arrived at based on the useful lives estimated by the management. The company has used the following rates to provide depreciation on its fixed assets:

	Useful life (years)
Furniture and Fixtures	10 years
Office Equipment	5 years
IT Equipment (End user devices)	3 years
IT Equipment (Servers and network)	6 years
Vehicles	3-8 years

3.4 **Leases**

Where the Company is lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.

Where the Company is lessor

Leases in which the company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

3.5 **Impairment of tangible 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 unit's (CGU) net selling price 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 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.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company'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 longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognized in the statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

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

3.6 Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

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

3.7 Revenue Recognition

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

Income from services

Revenues from shared services contracts are recognized over the period of the contract as and when services are rendered. The company collects service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the company. Hence, it is excluded from revenue.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

3.8 Foreign currency transactions

Initial recognition

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

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences

Exchange differences arising on the settlement of monetary items, or on reporting such monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

3.9 **Employee Benefits**

Provident Fund

The Company contributes to employees provident fund benefits through a trust "Max India 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 minimum 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

Employee benefit in form of gratuity plan is a defined benefit obligation. The cost of providing benefit under this plan are determined on the basis of actuarial valuation at end of each year using projected unit credit method. Actuarial gains and losses for the defined benefit plan are recognized in full in the period in which they occur in the statement of profit and loss.

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 beyond 12 months, the same is presented as non-current liability.

3.10 **Income taxes**

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

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

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

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

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

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

3.11 **Employee stock compensation cost**

Employees (including directors) of the company receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

In accordance with the Securities and Exchange Board of India (SEBI) (Share based Employee Benefits) Regulations, 2014 and the Guidance Note on Accounting for Employee Share-based Payments, the cost of equity-settled transactions is measured using the intrinsic value method and recognized, together with a corresponding increase in the "Stock options outstanding account" in reserves. 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 expense or credit recognized in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and the end of that period and is recognized in employee benefits expense.

3.12 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of the 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 potential dilutive equity shares

3.13 Provisions

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

3.14 Contingent liability

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

3.15 Cash and cash equivalents

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

4.0 Share capital

(Rs. in Lacs)

	As at March 31, 2016
Authorised shares (Nos.)	
300,000,000 equity shares of Rs. 2/- each	6,000.00
	6,000.00
Issued, subscribed and fully paid-up shares (Nos.)	
250,000 equity shares of Rs. 2/- each fully paid up	5.00
	5.00

4.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	March 31, 2016	
	No. of shares	(Rs. in Lacs)
Equity Shares		
At the beginning of the period	-	-
Issued during the period - Fresh Allotment	250,000	5.00
Outstanding at the end of the year	**250,000**	**5.00**

4.2 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 amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

4.3 **Details of shareholder holding more than 5% shares is set out below (legal ownership)**

Name of the Shareholder	March 31, 2016	
	No. of shares	% held
Equity shares of Rs. 2/- each fully paid		
- Max Financial Services Limited (formerly known as Max India Limited) (Including 6 shares held by nominees of MFSL)	250,000	100%

Subsequent to the year end, the Company has received the Foreign Investment Promotion Board (FIPB) approval vide its letter dated May 06, 2016. to issue and allot shares to MFS's shareholders as on the record date i.e. January 28, 2016. The Company has issued and allotted 26,69,83,999 equity shares of Rs. 2/- each on May 14, 2016 and the existing equity capital of the Company of Rs. 5.00 laces which was fully held by MFS, has been cancelled pursuant to the provisions of the Scheme.

5 **Reserve and surplus**

(Rs. in Lacs)

	As at March 31, 2016
Capital reserve	
Balance at beginning of the period	-
Add: Arising out of Scheme of demerger (refer note 31)	156,917.06
	156,917.06
Employee stock option outstanding	
Balance at beginning of the period	-
Add: Arising out of Scheme of demerger (refer note 31)	198.38
Add/(less): compensation options granted during the period	28.96
Closing balance	227.34
Surplus in the statement of profit and loss	
Balance at beginning of the period	-
Profit for the period	1,433.58
Net surplus in the statement of profit and loss	1,433.58
Total reserves and surplus	158,577.98

6 **Deferred tax assets**

(Rs. in Lacs)

	As at March 31, 2016
Deferred tax assets	
Impact of expenditure charged to the statement of profit and loss but allowed for tax purposes in subsequent years	129.92
Fixed Assets: Impact of difference between tax depreciation and depreciation/amortisation charged for the financial reporting	39.43
Gross deferred tax assets	169.35
Deferred tax liabilities	-
Net deferred tax liabilities / (assets)	(169.35)
Net deferred tax liabilities / (assets) recognised (refer note below)	-

Note: The Company follows Accounting Standard (AS-22) "Accounting for taxes on Income", as notified by Companies Accounting Standards Rules, 2006. However, deferred tax asset has been recognized only to the extent of deferred tax liability since there is no convincing evidence which demonstrates virtual certainty of realization of such deferred tax asset in the near future, accordingly Company has prudently decided not to recognize deferred tax asset on such timing differences.

7 **Provisions**

(Rs. in Lacs)

	Long - term	Short - term
	As at March 31, 2016	As at March 31, 2016
Provision for employee benefits		
Provision for leave benefits	-	107.10
Provision for gratuity (Refer note 17.2)	210.08	16.52
	210.08	123.62

8 **Other current liabilities**

(Rs. in Lacs)

	As at March 31, 2016
Trade payables	
• Total outstanding dues of micro enterprises and small enterprises	-
• Total outstanding dues of creditors other than micro enterprises and small enterprises	247.80
Other liabilities	
Others	
Security deposit received	20.16
Statutory dues payable	342.18
Capital creditors	1.36
	363.70
	611.50

8.1 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 January 01, 2015 to March 31, 2016. 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.

9 **Non-current investments**

(Rs. in Lacs)

		As at March 31, 2016
Trade investments (valued at cost unless stated otherwise)		
Investment in subsidiaries		
Unquoted equity instruments		
Max Bupa Health Insurance Co. Limited		
664,520,000 Equity shares of Rs.10 each fully paid up		66,452.01
Pharmax Corporation Limited		
47,122,747 Equity shares of Re.1 each fully paid up		1,420.81
Antara Senior Living Limited		
8,000,000 Equity shares of Rs. 10 each fully paid up		800.00
Max UK Limited		
299,742 Equity shares of GBP 1 each fully paid up	213.00	
Less: provision for diminution	(213.00)	-
Max Ateev Limited		
31,443,600 Equity shares of Rs. 10 each fully paid up	3,144.36	
Less: provision for diminution	(3,144.36)	-
Max Skill First Limited		
(formerly known as Max Healthstaff International Limited)		
9,095,000 Equity shares of Rs. 10 each fully paid up	1,022.87	
Less: provision for diminution	(447.87)	575.00
Unquoted preference instruments		
Pharmax Corporation Limited		
1,500,000 9% Preference shares of Rs.100 each fully paid up		1,500.00
Antara Senior Living Ltd.		
14,471,417 Zero Coupon Compulsorily Convertible Preference shares of Rs. 100 each fully paid up		14,471.42
Investment in Joint Ventures		
Max Healthcare Institute Limited		
246,848,537 Equity shares of Rs.10 each fully paid up		49,412.68
		134,631.92
		134,631.92
Aggregate amount of unquoted investments		**138,437.15**
Aggregate provision for diminution in value of investments		**(3,805.23)**

Pursuant to the Scheme of arrangement, investments amounting to Rs. 111,356.92 lacs have been transferred to the Company from demerged undertaking i.e. Max Financial Services Limited (erstwhile Max India Limited).

Post transfer on account of demerger the Company has made following further investments in its subsidiary companies and joint ventures:

Entity	Relationship	Amount (Rs. in Lacs)
Max Bupa Health Insurance Company Limited	Subsidiary	7,955.00
Max Skill First Limited	Subsidiary	320.00
Max Healthcare Institute Limited	Joint venture	15,000.00

10 Tangible assets

(Rs. in Lacs)

	Leasehold Improvment	Furniture & Fixture	Office Equipments	Computers	Vehicles	Total
Cost						
Opening balance	-	-	-	-	-	-
Assets acquired on demerger (refer note 31)	355.51	53.52	88.22	110.88	267.17	875.30
Additions	-	0.73	3.25	15.75	136.97	156.70
Deletions/ Adjustments	-	-	0.85	2.59	115.44	118.88
At March 31, 2016	**355.51**	**54.25**	**90.62**	**124.04**	**288.70**	**913.12**
Depreciation						
Opening balance	-	-	-	-	-	-
Depreciation on assets acquired on demerger (refer note 31)	355.51	40.63	49.72	70.47	133.52	649.85
Charge for the year	-	1.77	9.83	16.76	44.74	73.10
Deletions/ Adjustments	-	-	0.24	1.67	79.86	81.77
At March 31, 2016	**355.51**	**42.40**	**59.31**	**85.56**	**98.40**	**641.18**
Net Block						
At March 31, 2016	**-**	**11.85**	**31.31**	**38.48**	**190.30**	**271.94**

11 Loans and advance

(Rs. in Lacs)

		Non - Current	Current
		As at March 31, 2016	As at March 31, 2016
Capital advances			
Unsecured, considered good		7,320.00	-
	A	7,320.00	-
Security deposits			
Unsecured, considered good		1.50	-
	B	1.50	-
Loans and advances to related parties (refer note 25)			
Unsecured, considered good (unless stated otherwise)			
Advances recoverable in cash or kind			
Considered doubtful		2,615.74	-
Security deposit		84.56	-
Inter corporate deposit		4,475.00	-
		7,175.30	-
Provision for doubtful advances		(2,615.74)	-
	C	4,559.56	-
Advances recoverable in cash or kind			
Unsecured, considered good		-	4.45
	D	-	4.45
Other loans and advances (unsecured, considered good unless stated otherwise)			
Balances with statutory/government authorities		-	17.83
Prepaid expenses		-	46.77
Loans to employees		10.74	11.38
Advance income tax (net of provisions)		8.44	-
	E	19.18	75.98
Total (A+B+C+D+E)		11,900.24	80.43

12 Current Investments

(Rs. in Lacs)

	As at March 31, 2016
Current investments (valued at lower of cost and fair value)	
Unquoted mutual funds	
Tata Money Market Fund - Direct Fund Growth	16,162.81
701,846 units of Face value Rs. 1000/- per unit fully paid	
	16,162.81
Aggregate amount of unquoted investments	16,162.81

13 Cash and bank balances

(Rs. in Lacs)

	Non - Current	Current
	As at March 31, 2016	As at March 31, 2016
Cash and cash equivalents		
Balances with banks		
on current accounts	-	**82.60**
Cheques/drafts on hand	-	**0.65**
Cash on hand	-	**0.77**
	-	**84.02**

14 Other assets

(Rs. in Lacs)

	Non - Current	Current
	As at March 31, 2016	As at March 31, 2016
Unsecured, considered good unless stated otherwise		
Others		
Option fee receivable	-	**814.73**
Amount recoverable for cost allocation	-	**914.58**
	-	**1,729.31**

15 Revenue from operations

(Rs. in Lacs)

	For the period from January 01, 2015 to March 31, 2016
Other operating revenue	
Income from shared services	1,554.70
Income from investment activities	
Interest income on	
Inter corporate deposits	366.29
Fixed deposits	97.29
Profit on sale of current investments	1,691.32
Option fee (refer note 15.1)	3,104.79
	5,259.69
Total Other operating revenue	**6,814.39**

15.1 The Company has a put option to transfer upto 24% of its shareholding in Max Bupa Health Insurance Co. Limited and Bupa Singapore Pte. Limited (Bupa Singapore) has a call option under which the Company would be required to transfer 24% of its shareholding in Max Bupa Health Insurance Co. Limited to Bupa Singapore subject to approval under applicable laws and regulations. As a consideration of the call option granted by the Company, Bupa Singapore is obliged to pay an option fee, which is disclosed as above.

16 Other Income

(Rs. in Lacs)

	For the period from January 01, 2015 to March 31, 2016
Interest income	1.16
Liabilities/provisions no longer required written back	0.09
Revenue from operations (net)	1.25

17 Employee benefit expenses

(Rs. in Lacs)

	For the period from January 01, 2015 to March 31, 2016
Salaries, wages and bonuses	2,058.33
Contribution to provident and other funds	78.29
Employee stock option scheme	23.99
Gratuity expense (refer note 17.2)	33.89
Staff welfare expenses	56.37
	2,250.87

17.1 Effective January 15, 2016, the Company has appointed a Managing Director for a term of 5 years. In absence of adequate profits, the Nomination and Remuneration Committee and the Board of Directors in terms of Section 196 and 197 of the Companies Act, 2013 ('the Act') read with the limits prescribed under the Act has approved remuneration of Rs. 240.00 lacs per annum; during the period beginning January 15, 2016 to March 31, 2016, the Company has paid remuneration of Rs. 49.41 lacs for which the Company is in the process of obtaining the necessary approval from the shareholders of the Company. Till the time the approval is obtained excess remuneration of Rs. 24.41 lacs paid to managing director, will be held in trust.

17.2 Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed 5 years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

The following table summarises the component of net benefit expense recognised in statement of profit and loss and the amount recognised in the balance sheet in respect of defined benefit plans.

Statement of profit and loss
Net employee benefit expense recognized in employee cost

(Rs. in Lacs)

	Gratuity
	As at March 31, 2016
Current service cost	27.76
Interest cost on benefit obligation	16.93
Net actuarial(gain) / loss recognized in the year	(10.80)
Net benefit expense	33.89
Actual return on plan assets	-

Balance sheet
Benefit asset/ liability

(Rs. in Lacs)

	Gratuity
	As at March 31, 2016
Defined benefit obligation	226.60
Funded Status	(226.60)
Plan asset / (liability)	(226.60)

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

(Rs. in Lacs)

	Gratuity
	As at March 31, 2016
Opening defined benefit obligation	-
Value of obligation transferred on demerger	217.08
Interest cost	16.93
Current service cost	27.76
Benefits paid by employer	(24.37)
Actuarial (gains) / losses on obligation	(10.80)
Closing defined benefit obligation	226.60

The principal assumptions used in determining benefit obligations for the Company's plans are shown below:

	Gratuity
	As at March 31, 2016
Discount rate	7.80%
Expected rate of return on assets	NA
Retirement Age	58 years
Employee turnover	5 %

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Further, the overall expected rate on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been no significant change in expected rate of return on assets.

Amounts for the current period are as follows:

(Rs. in Lacs)

	As at March 31, 2016
Defined benefit obligation	226.60
Plan assets	-
Surplus / (deficit)	(226.60)
Experience adjustments on plan liabilities	(10.80)
Experience adjustments on plan assets	-

17.3 Provident Fund

The Company is contributing in a provident fund trust "Max India Limited Employees Provident Trust Fund" which is a common fund for Max Financial Services Limited (MFSL), its subsidiaries and associate 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 as per AS-15 (Revised)."

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 MFSL, its subsidiaries and associate companies.

The actuary has accordingly provided a valuation for "Max India Limited Employees Provident Trust Fund" which is a common fund for MFSL, its subsidiaries and associate companies. based on assumptions provided below.

The details of fund and plan asset position as at March 31, 2016 as per the actuarial valuation of active members are as follows:

(Rs. in Lacs)

	As at March 31, 2016
Plan assets at year end at fair value	741.53
Present value of defined benefit obligation at year end	736.37
Surplus as per actuarial certificate	5.16
Shortfall recognised in balance sheet	-
Active members as at year end (Nos)	48

Assumptions used in determining the present value obligation of the interest rate guarantee under the deterministic approach:

	March 31, 2016
Discount rate for the term of the obligation	7.72%
Average historic yield on the investment portfolio	9.06%
Discount rate for the remaining term to maturity of the investment portfolio	7.72%
Expected investment return	9.06%
Guaranteed rate of return	8.75%

18 Other expenses

(Rs. in Lacs)

		For the period from January 01, 2015 to March 31, 2016
Recruitment and training expenses		136.45
Rent		95.04
Insurance		60.38
Repairs and maintenance:		
Others		85.92
Electricity and water		17.32
Printing and stationery		8.17
Travelling and conveyance		188.35
Communication		26.40
Legal and professional (refer note 18.1)		715.42
Management service charges		744.72
Directors' fee		44.22
Advertisement and publicity		24.76
Net loss on sale/disposal of fixed assets		8.04
Loss on sale of investments-long term	505.78	
Less: write back of provision for diminution in investment-long term	(505.78)	-
Provision for doubtful advances in subsidiary		6.91
Fixed assets written off		0.07
Charity and donation		0.02
Net loss on foreign exchange fluctuation		7.61
Miscellaneous		59.17
		2,228.97

18.1 Payment to auditor (excluding service tax) (included in legal and professional)

(Rs. in Lacs)

	For the period from January 01, 2015 to March 31, 2016
As auditor:	
Audit fee	15.00
In other capacity:	
Other services	-
	15.00

19 Depreciation and amortisation

(Rs. in Lacs)

	For the period from January 01, 2015 to March 31, 2016
Depreciation of tangible assets	73.10
	73.10

20 Calculation of Earnings per share (EPS) - Basic and Diluted

	For the period from January 01, 2015 to March 31, 2016
Basic EPS	
Profit after tax (Rs. in Lacs)	1,433.58
Net profit for calculation of basic EPS (Nos)	1,433.58
Weighted average number of equity shares outstanding during the period (Nos.)*	266,998,381
Basic Earnings Per Share (Rs.)	0.54
Dilutive EPS	
Equivalent weighted average number of employee stock options outstanding (Nos.)	2,769,196
Weighted average number of equity shares outstanding during the period for dilutive earnings per share (Nos) *	269,767,577
Diluted Earnings Per Share (Rs.)	0.53

Note: Weighted average number of shares considered for the purpose of calculation of EPS are those which are required to be issued as per the scheme of demerger approved by the Hon'ble High Court of Punjab and Haryana on the record date i.e. January 28, 2016. The Company received the FIBP approval on May 14, 2016 and has issued and alloted 26,69,83,999 equity shares of Rs. 2/- each on May 14, 2016. However for true reflection of EPS has been calculated assuming these shares would have been issued on appointed date i.e. April 01, 2015.

21. Employee Stock Option Plan

21.1 Employee Stock Option Plan – 2003 ("the 2003 Plan"):

Max Financial Services Limited-"MFSL" (formerly known as Max India Limited) had instituted the 2003 Plan, which was approved by the Board of Directors in August 25, 2003 and by the shareholders in September 30, 2003. The 2003 Plan provides for grant of stock options aggregating not more than 5% of number of issued equity shares of MFSL to eligible employees of MFSL. The 2003 Plan is administered by the Nomination and Remuneration Committee appointed by the Board of Directors. Under the plan, the employees receive shares upon completion of vesting conditions such as rendering of services across vesting period. Vesting period ranges from one to five years and options can be exercised within two years from vesting date. As amended in the 2003 Plan and approved by the shareholders in the Annual General Meeting held on September 30, 2014, 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 MFSL.

Pursuant to the Scheme of demerger, with respect to the employee's stock options granted by the de-merged company i.e. MFS to its employees (irrespective of whether they continue to be employees of MFS or become employees of the Company) shall be allotted one stock option by the Company under the new ESOP scheme for every stock option held in MFS. Accordingly, ESOP outstanding as on the effective date in MFS shall be allocated between the demerged company and resulting companies. The Company is in the process of implementation of an ESOP scheme on terms and conditions similar to the relevant ESOP plan of MFSL. Accordingly, 2,503,560 stock options granted to the employees of MFSL and outstanding as on Effective date i.e. January 15, 2016 are eligible for stock options of the Company under new ESOP scheme on similar terms and conditions. These ESOPs have intrinsic value of Rs. 198.38 laces, which got transferred to the Company.

22. Leases

Operating lease: Company as lessee

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 Rs. 95.04 Lacs. 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.

The detail of total of future minimum lease payments under non-cancellable leases are as follows:

(Rs. in Lacs)

	As at March 31, 2016
Not later than one year	92.14
Later than one year and not later than five year	-
Later than five year	-
	92.14

23. Interest in a joint venture

During the period, the Company has subscribed to 22,222,222 equity shares @ Rs. 67.50 per share at an aggregate consideration of Rs. 15,000.00 lacs in Max Healthcare Institute Limited (MHIL) resulting in an increase in its stake from 45.95% to 46.28% as on March 31, 2016.

The Company's share of the assets, liabilities, income and expenses of the jointly controlled entity for the period from March 31, 2016 are as follows:

(Rs. in Lacs)

	As at March 31, 2016
Current assets	13,373.88
Non current assets	89,223.83
Current liabilities	(19,385.74)
Non Current liabilities	(31,080.48)
Equity	**52,131.49**
Revenue	68,256.58
Cost of material consumed	(18,444.61)
Depreciation	(4,007.91)
Finance cost	(3,380.49)
Employee benefit expenses	(13,971.23)
Other Expenses	(29,113.55)
Loss before tax	**(661.21)**
Tax expense	-
Loss after tax	**(661.21)**
Capital commitments	2,077.99
Contingent liabilities	15,275.58

24. Segment Reporting

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, therefore there are no separate reportable segments as per Accounting Standard 17 prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

25. Capital and other commitments

a) **Capital Commitments**

(Rs. in Lacs)

	As at March 31, 2016
Estimated amount of contracts remaining to be executed on capital account and not provided for	7,320.00
Less: Capital advances	7,320.00
Net capital commitment for acquisition of capital assets	-

b) The Company will provide financial support to Max Ateev Limited, Max One Distribution and Services Limited and Antara Senior Living Limited a wholly owned subsidiaries of the Company in order to meet their future financial obligations.

26 **Related parties disclosures**

Names of related parties where control exists irrespective of whether transactions have occurred or not		
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	Max Neeman Medical International Limited (Subsidiary till April 30, 2015)
	8	Max Neeman Medical International Inc. (Subsidiary till April 30, 2015)
Step down subsidiary companies	1	Antara Purukul Senior Living Limited
	2	Antara Gurgaon Senior Living Limited
	3	Max One Distribution and Services Limited
Names of other related parties with whom transactions have taken place during the year		
Joint Venture	1	Max Healthcare Institute Limited
	2	Alps Hospial Limited
Key Management Personnel (KMP)	1	Mr. Mohit Talwar (Managing Director) - Effective January 15, 2016
	2	Mr. Jatin Khanna (Chief Financial Officer) - Effective January 15, 2016
	3	Mr. V Krishnan (Company Secretary) Effective January 15, 2016
Enterprises owned or significantly influenced by key management personnel or their relatives	1	Max Life Insurance Company Limited
	2	Max Financial Services Limited
	3	Max Venture and Industries Limited
	4	New Delhi House Services Limited
Employee benefit funds	1	Max India Ltd. Employees' Provident Fund Trust

Transactions with related parties during the year:

(Rs. in Lacs)

	Subsidiaries	Joint Ventures	Key Management personnel (Directors CEO & CFO)	Relatives of KMP	Enterprises owned or significantly influenced by key management personnel or their relatives	Employee benefit funds	Total
	2016	2016	2016	2016	2016	2016	2016
Income from shares services							
Max Healthcare Institute Limited		139.00					139.00
Pharmax Corporation Limited	99.00						99.00
Max Financial Services Limited					897.00		897.00
Max Life Insurance Company Limited					313.00		313.00
Max Skill First Limited	50.70						50.70
Max Venture and Industries Limited					56.00		56.00
Reimbursement of expenses (Received from)							
Max Financial Services Limited					709.63		709.63
New Delhi House Services Limited					14.19		14.19
Reimbursement of expenses (Paid to)							
Max UK Limited	32.36						32.36
Max Bupa Health Insurance Company Limited	10.17						10.17
New Delhi House Services Limited					19.48		19.48
Services Received							
Healthcare Services							
Alps Hospital Ltd		0.09					0.09
Max Healthcare Institute Limited		0.06					0.06
Management service charges							
Max Financial Services Limited					741.38		741.38
Rent paid							
Pharmax Corporation Limited	92.30						92.30
Alps Hospital Ltd		2.73					2.73
Repair & Maintenance							
New Delhi House Services Limited					62.58		62.58
Managerial Remuneration							
Mohit Talwar			49.41				49.41
Jatin Khanna			15.49				15.49
V Krishnan			31.22				31.22
Company's contribution to Provident Fund Trust						69.76	69.76
Provision for Diminution							
Max Ateev Limited.	6.91						6.91
Loans given							
Pharmax Corporation Limited	225.00						225.00
Antara Purukul Senior Living Limited	4,250.00						4,250.00
Interest income							
Antara Purukul Senior Living Limited	357.51						357.51
Pharmax Corporation Limited.	8.78						8.78
Investments made							
Max Healthcare Institute Limited.		15,000.00					15,000.00
Max Skill First Limited	320.00						320.00
Max Bupa Health Insurance Company Limited.	7,955.00						7,955.00
Sale of assets							
Max Healthcare Institute Limited.		14.26					14.26
Investments sold							
Max Neeman Medical International Limited	942.90						942.90
Balance outstanding as at the year end							
Corporate Guarantee							
Antara Purukul Senior Living Limited	15,025.19						15,025.19

Transactions with related parties during the year:

(Rs. in Lacs)

	Subsidiaries	Joint Ventures	Key Management personnel (Directors CEO & CFO)	Relatives of KMP	Enterprises owned or significantly influenced by key management personnel or their relatives	Employee benefit funds	Total
	2016	2016	2016	2016	2016	2016	2016
Loans and advances given							
Max Ateev Limited	699.39						699.39
Antara Purukul Senior Living Limited	4,250.00						4,250.00
Pharmax Corporation Limited	225.00						225.00
Max Skill First Limited	1,916.34						1,916.34
Provision made against above							
Max Ateev Limited	(699.39)						(699.39)
Max Skill First Limited	(1,916.34)						(1,916.34)
Other receivable							
Max Healthcare Institute Limited		145.29					145.29
Max Skill First Limited	52.98						52.98
Max Life Insurance Company Limited					358.39		358.39
Max Financial Services Limited					195.95		195.95
Max Venture and Industries Limited					58.52		58.52
Pharmax Corporation Limited	103.45						103.45
Security Deposit receivable							
Pharmax Corporation Limited	84.56						84.56
Amount Payable							
New Delhi House Services Limited					(3.87)		(3.87)
Alps Hospital Ltd	-	(0.69)					(0.69)
Investment in Equity Share Capital							
Max Ateev Limited	3,144.36						3,144.36
Max Healthcare Institute Limited.		49,412.68					49,412.68
Max Bupa Health Insurance Company Limited	66,452.01						66,452.01
Antara Senior Living Limited	800.00						800.00
Pharmax Corporation Limited	1,420.81						1,420.81
Max Skill First Limited	1,022.87						1,022.87
Max UK Limited	213.00						213.00
Provision made against above							
Max Ateev Limited	(3,144.36)						(3,144.36)
Max Skill First Limited	(447.87)						(447.87)
Max UK Limited	(213.00)						(213.00)
Investment in Preference Share Capital							
Antara Senior Living Limited	14,471.42						14,471.42
Pharmax Corporation Limited	1,500.00						1,500.00

27 Contingent liabilities not provided for

(Rs. in Lacs)

S. No.	Particulars	As at March 31, 2016
I	Corporate guarantee given to Axis Bank Limited in respect of financial assistance availed by Antara Purukul Senior Living Limited, a subsidiary company.	15,025.19

28 Particulars of Unhedged Foreign Currency Exposure

(Rs. in Lacs)

Particulars	As at March 31, 2016		
	Foreign Currency	Exchange Rate	Indian Rupee
Trade payables (GBP)	0.63	95.09	59.61
Investments	-	-	213.00

29 Expenditure in Foreign Currency (on accrual basis)

(Rs. in Lacs)

Particulars	As at March 31, 2016
Legal and professional	75.00
Others	35.00
Total	110.00

30 Disclosure under section 186 (4) of the Companies Act 2013

a) Particulars of Loans given:

(Rs. in Lacs)

Sr. No.	Name of the Loanee	Transferrd on a/c of demerger as on April 1, 2015*	Loan given during the year	Loan repaid during the year	Outstanding Balance as on 31.03.16	Purpose
1	Pharmax Corporation Limited	-	225.00	-	225.00	Operational cash flow requirement
2	Antara Purukul Senior Living Limited	-	4,250.00	-	4,250.00	Operational cash flow requirement
		-	4,475.00	-	4,475.00	

b) Particulars of Guarantee given:

(Rs. in Lacs)

Sr. No.	Name of the Entity	Transferrd on a/c of demerger as on April 1, 2015*	Loan given during the year	Loan repaid during the year	Outstanding Balance as on 31.03.16	Purpose
1	Max Healthcare Institute Limited	2,100.00	-	2,100.00	-	Collateral security for term loan for Project
2	Antara Purukul Senior Livings Limited	8,080.00	15,025.19	8,080.00	15,025.19	Collateral security for term loan for Project
		10,180.00	15,025.19	10,180.00	15,025.19	

Note: The above amounts are outstanding balances with term lenders against the total guarantee given for the respective

c) Particulars of Investments made:

(Rs. in Lacs)

Sr. No.	Name of the Loanee	Transferrd on a/c of demerger as on April 1, 2015*	Investment made	Investment sold	Outstanding Balance as on 31.03.16	Purpose
Investment in Equity Share Capital						
1	Max Ateev Limited	3,144.36	-	-	3,144.36	Strategic investment
2	Max Healthcare Institute Limited.	34,412.68	15,000.00	-	49,412.68	Strategic investment
3	Max Bupa Health Insurance Company Limited	58,497.01	7,955.00	-	66,452.01	Strategic investment
4	Antara Senior Living Limited	800.00	-	-	800.00	Strategic investment
5	Pharmax Corporation Limited	1,420.81	-	-	1,420.81	Strategic investment
6	Max Neeman Medical International Limited	1,448.68	-	1,448.68	-	Strategic investment
7	Max Skill First Limited	702.87	320.00	-	1,022.87	Strategic investment
8	Max UK Limited	213.00	-	-	213.00	Strategic investment
Investment in Preference Share Capital						
1	Antara Senior Living Limited	14,471.42	-		14,471.42	Strategic investment
2	Pharmax Corporation Limited	1,500.00	-	-	1,500.00	Strategic investment
		116,610.83	23,275.00	1,448.68	138,437.15	

*Balances transferred from MFSL as per demerger scheme (refer note 31)

31 Scheme of Arrangement (Demerger) between Max Financial Services Limited (MFS), the Company and Max Venture and Industries Limited (MVIL)

The Board of Directors of Max Financial Services Limited ('MFS', erstwhile Max India Limited) in their meeting held on January 27, 2015 had approved the Corporate Restructuring plan to vertically split MFS through a Composite scheme of arrangement ('Scheme'), into three separate listed companies.

a) The Hon'ble High Court of Punjab and Haryana vide its order dated December 14, 2015, sanctioned the Scheme under Sections 391 to 394 read with Sections 100 to 104 of the Companies Act, 1956 between Max Financial Services Limited ('MFS' - erstwhile Max India Limited), Max India Limited ("the Company" - erstwhile Taurus Ventures Limited) and Max Ventures and Industries Limited ('MVIL'- erstwhile Capricorn Ventures Limited). The Scheme is effective from January 15, 2016 i.e. the date of filing of the certified copy of the order of the Hon'ble High Court of Punjab and Haryana with the Registrar of Companies, Chandigarh and Shimla. Pursuant to the Scheme, all the assets and liabilities pertaining to the Demerged Undertaking (as defined in the Scheme) have been transferred to and vested in the Company with retrospective effect from the appointed date i.e. April 1, 2015 at their respective book values appearing in the books of demerged company i.e., MFS. Accordingly, the Scheme has been given effect to in the financial statements.

b) The consideration for the demerger to the equity shareholders of the demerged company i.e., MFS is discharged by the Company i.e., Max India Limited wholly by issue of equity shares of the Company. Pursuant to the Scheme coming into effect, every shareholder holding fully paid up equity shares of Rs. 2/- each in MFS as on the Record Date i.e., January 28, 2016 will be allotted one equity share of Rs. 2/- each in the Company for every one equity share of Rs. 2/- each held in MFS as on the Record Date. As a result of this and pursuant to the provisions of the Scheme, the existing share capital of Rs. 5 lacs of the Company shall stand cancelled. Further, with respect to employee's stock options granted by the demerged company i.e. MFS to its employees (irrespective of whether they continue to be employees of MFS or become employees of the Company or not) shall be allotted one stock option by the Company under the new ESOP scheme for every stock option held in MFS. Accordingly, ESOP outstanding as on the Effective Date in MFS shall be allocated between the demerged company and resulting companies. The surplus of net assets acquired by the Company over the aggregate face value of share capital to be issued shall be credited to capital reserve. The value of net assets acquired effective from April 1, 2015 and the calculation of differential consideration and value of net identifiable assets acquired is set out below:

(Rs. in Lacs)

Particulars	Amount in Lacs
Assets acquired	
- Fixed assets (net of accumulated depreciation)	225.45
- Investments (Non-current and current)	149,152.09
- Loans and advances (Non-current and current)	7,645.99
- Cash and bank balance	5,154.04
- Other current assets	1,227.73
Sub-total (A)	**163,405.30**
Liabilities assumed	
- Trade payables and other current liabilities	575.63
- Provisions (Non-current and current)	374.55
Sub-total (B)	**950.18**
Net assets acquired (A-B)	**162,455.12**
Share capital to be issued	**5,339.68**
ESOP to be issued	**198.38**
Capital Reserve	**156,917.06**

c) The reconciliation of share capital to be issued pursuant to the scheme is given below and disclosed as 'Shares capital pending allotment' in the financial statements:

(Rs. in Lacs)

Particulars	Amount in Lacs
Shares capital to be issued (refer point b above)	5,339.68
Less: Existing share capital pending cancellation	(5.00)
Share capital pending allotment	5,334.68

d) Subsequent to the year end, the Company has received the Foreign Investment Promotion Board (FIPB) approval to issue and allot shares to MFS's shareholders as on the record date i.e. January 28, 2016, vide its letter dated May 06, 2016. The Company has issued and allotted 26,69,83,999 equity shares of Rs. 2/- each on May 14, 2016 and the existing equity capital of the Company of Rs. 5.00 lacs which was fully held by MFS, has been cancelled pursuant to the provisions of the Scheme and the Company ceases to be a subsidiary of MFS effective May 14, 2016.

e) This Scheme is a non-cash transaction and hence, has no impact on the cash flow of the Company for the current period.

32 Pursuant to the scheme of demerger investments in Max Neeman Medical International Limited having carrying value of Rs. 942.90 lacs (net of provision for impairment) were transferred in the name of the Company which has been sold to JSS Medical Research for a consideration of Rs. 942.90 lacs. This has no financial impact on current period financial statement.

33 Subsequent to the year end, on April 29, 2016, Max India Limited executed an agreement with Bupa Singapore Pte. Limited (Bupa Singapore) to divest its 23% stake in Max Bupa Health Insurance Limited to Bupa Singapore at par value, for a consideration of Rs. 20,654.00 lacs.

34 Being the first year of the Comapny, the accounts have been drawn up for a period of January 01, 2015 (i.e. date of incorporation) to March 31, 2016. Accordingly, there are no comparitive previous period figures.

As per our report of even date

For S.R.Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Manoj Gupta
Partner
Membership Number: 83906

Place : Gurgaon
Date : May 25, 2016

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

Mohit Talwar
(Managing Director)
(DIN 02394694)

N. C. Singhal
(Director)
(DIN 00004916)

Jatin Khanna
(Chief Financial Officer)

V. Krishnan
(Company Secretary)

Place : New Delhi
Date : May 25, 2016

MAX INDIA LIMITED
(FORMERLY KNOWN AS TAURUS VENTURES LIMITED)
CONSOLIDATED

MAX

INDEPENDENT AUDITOR'S REPORT

To the Members of Max India Limited (formerly Taurus Ventures Limited)

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Max India Limited (formerly Taurus Ventures Limited) (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and joint controlled entities, comprising of the consolidated Balance Sheet as at March 31, 2016, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms with the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities 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 for preventing and detecting frauds and other irregularities; the 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 control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph (a) of the Other Matters below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give the information required by 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, , its associates and jointly controlled entities as at March 31, 2016, their consolidated loss, and their consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, we report, to the extent applicable, that:

(a) We / the other auditors whose reports 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 purpose of our audit of the aforesaid consolidated financial statements;

(b) 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;

(c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss, and consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) According to the information and explanations given to us and as reported by the other auditors whose reports we have relied upon, investments in insurance business have been valued in accordance with the provisions of the Insurance Act, the IRDAI Financial Statements Regulation and/ or orders/ directions/ circulars issued by IRDAI in this regard.

(f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the auditors who are appointed under Section 139 of the Act, of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group's companies, its associates and jointly controlled companies incorporated in India is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

(g) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, associate companies and jointly controlled companies incorporated in India, refer to our separate report in "Annexure 1" to this report;

(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, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associates and jointly controlled entities – Refer Note 36 to the consolidated financial statements;

ii. The Group, its associates and jointly controlled entities did not have any material foreseeable losses in long-term contracts including derivative contracts;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, associates and jointly controlled companies incorporated in India.

Other Matter

(a) The accompanying consolidated financial statements include total assets of Rs. 48,195 Lacs as at March 31, 2016, and total revenues and net cash outflows of Rs 10,279 lacs and Rs 466 Lacs for the year ended on that date, in respect of subsidiaries and one joint venture which have been audited by other auditors, which financial statements, other financial information and auditor's report have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries / joint venture and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report(s) of such other auditors.

(b) The accompanying consolidated financial statements include total assets of Rs 1,364 lacs as at March 31, 2016, and total revenues and net cash outflows of Rs 512 lacs and Rs 41 Lacs for the year ended on that date, in respect of one jointly controlled entity, which have not been audited, which unaudited financial statements and other unaudited financial information have been furnished to us. Our opinion, in so far as it relates amounts and disclosures included in respect of this jointly controlled entity and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the jointly controlled entity, 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 auditors 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, 2016 is the responsibility of the Company's Appointed Actuary ("Appointed Actuary") and has been duly certified by the Appointed Actuary. The Appointed Actuary has also certified that in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms, if any, issued by Insurance Regulatory Development Authority of India ("IRDAI") and the Actuarial Society of India in concurrence with the IRDAI. The auditors of Max Bupa have relied upon the Appointed Actuary's certificate in this regard for forming their opinion on the financial statements of Max Bupa.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matter 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.

For S.R. BATLIBOI & CO LLP
Chartered Accountants
ICAI Firm registration number: 301003E / E300005

per Manoj Kumar Gupta
Partner
Membership No.: 83906

Place: Gurgaon
Date: May 25, 2016

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MAX INDIA LIMTED (FORMERLY TAURUS VENTURES 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 (formerly Taurus Ventures Limited) ('the Company') as of and for the year ended March 31, 2016, 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, its associate companies and jointly controlled companies, 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, its associate companies and jointly controlled companies, 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 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 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting 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 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

Because of the inherent limitations of internal financial controls over financial reporting, 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 to future periods are subject to the risk that the internal financial control over financial reporting 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, its associate companies and jointly controlled companies, which are companies incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, 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 of the Holding Company, insofar as it relates to 7 subsidiary companies and 1 subsidiary of a jointly controlled entity, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary and jointly controlled company 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 auditors of Max Bupa Health Insurance Company Limited (Max Bupa), a subsidiary company, have reported that actuarial valuation of liabilities in respect of claims Incurred but Not Reported ('IBNR) including claims Incurred but Not Enough Reported ('IBNER) is required to be certified by the Appointed 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 audit report on the financial statements of the Company as at and for the year ended March 31, 2016. Accordingly the internal financial controls over financial reporting in respect of the valuation and accuracy of the aforesaid actuarial valuation is also certified by the Appointed Actuary and accordingly, the auditors of Max Bupa have relied upon the Appointed 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 Manoj Kumar Gupta
Partner
Membership No.: 83906

Place: Gurgaon
Date: May 25, 2016

CONSOLIDATED BALANCE SHEET
AS AT MARCH 31, 2016

(Rs. in Lacs)

	Notes	As at March 31, 2016
Equity and liabilities		
Shareholders' funds		
Share capital	4	5.00
Share application pending allotment (refer note 38)		5,334.68
Reserves and surplus	5	109,896.68
		115,236.36
Preference shares		98.72
Minority interest		5,979.38
Non-current liabilities		
Long-term borrowings	6	45,443.98
Deferred tax liabilities (net)	7	207.89
Other long-term liabilities	8	11,099.45
Long-term provisions	9	906.40
		57,657.72
Current liabilities		
Short-term borrowings	10	5,583.76
Trade payables	11	
• Total outstanding dues of micro enterprises and small enterprises		-
• Total outstanding dues of creditors other than micro enterprises and small enterprises		20,517.55
Other current liabilities	11	11,942.25
Short-term provisions	9	27,930.32
		65,973.88
TOTAL		**244,946.06**
Assets		
Non-current assets		
Fixed assets		
Tangible assets	12	50,683.00
Intangible assets	13	2,422.68
Capital work-in-progress		24,803.51
Intangible assets under development		23.88
Goodwill on consolidation		40,541.15
Non-current investments	14	36,307.79
Loans and advances	15	28,011.71
Trade receivables	16	1,688.13
Other non-current assets	17	49.18
		184,531.03
Current assets		
Current investments	18	37,450.52
Inventories	19	1,087.48
Trade receivables	16	10,634.62
Cash and bank balances	20	3,698.15
Loans and advances	15	2,921.78
Other current assets	17	4,622.48
		60,415.03
TOTAL		**244,946.06**
Summary of significant accounting policies	3	

The accompanying notes are an integral part of the financial statements
As per our report of even date

For S.R.Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Manoj Gupta
Partner
Membership Number: 83906

Place : Gurgaon
Date : May 25, 2016

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

Mohit Talwar
(Managing Director)
(DIN 02394694)

N. C. Singhal
(Director)
(DIN 00004916)

Jatin Khanna
(Chief Financial Officer)

V. Krishnan
(Company Secretary)

Place : New Delhi
Date : May 25, 2016

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
FOR THE PERIOD JANUARY 01, 2015 TO MARCH 31, 2016

(Rs. in Lacs)

	Notes	For the period from January 01, 2015 to March 31, 2016
Income		
Revenue from operations	21	121,186.83
Other income	22	1,562.92
Total revenue (I)		**122,749.75**
Expenses		
Purchase of pharmacy and pharmaceuticals supplies		18,570.21
(Increase)/ decrease in inventories of traded goods	23	(122.54)
Employee benefits expense	24	31,933.12
Other expenses	25	71,556.44
Depreciation and amortisation expense	26	5,553.95
Finance costs	27	4,096.09
Total expenses (II)		**131,587.27**
Loss before tax (I-II)		**(8,837.52)**
Tax expense		
Current tax		1,245.75
MAT Credit Entitlement		(271.75)
Deferred tax		45.96
Total tax expense		1,019.96
Loss after tax		(9,857.48)
Minority Interest		1,782.92
Net Loss (after adjusting minority interest)		**(8,074.56)**
Earnings per equity share	28	
[Nominal value of shares Rs. 2		
Basic (Rs.)		(3.03)
Diluted (Rs.)		(3.03)
Summary of significant accounting policies	3	

The accompanying notes are an integral part of the financial statements
As per our report of even date

For S.R.Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Manoj Gupta
Partner
Membership Number: 83906

Place : Gurgaon
Date : May 25, 2016

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

Mohit Talwar
(Managing Director)
(DIN 02394694)

N. C. Singhal
(Director)
(DIN 00004916)

Jatin Khanna
(Chief Financial Officer)

V. Krishnan
(Company Secretary)

Place : New Delhi
Date : May 25, 2016

(Rs. in Lacs)

	For the period from January 01, 2015 to March 31, 2016
Cash flow from operating activities	
Net (loss) before tax	(8,837.52)
Non cash adjustments to reconcile profit / (loss) before tax to net cash flows:	
Depreciation / amortisation	5,553.95
Interest expense	3,488.87
Interest income	(4,004.80)
Option fees	(3,104.79)
Amortisation of discount/(premium) on investments	(372.76)
Dividend income from investments	(3.38)
Net loss on sale of fixed assets	33.16
Net profit on sale of investments	(2,844.05)
Fixed assets written off	0.08
Doubtful advances written off	251.18
Provision for doubtful debts and advances	628.66
Liabilities/provisions no longer required written back	(218.41)
Employee stock option expense	30.88
Operating profit before working capital changes	**(9,398.93)**
Movement in working capital :	
Increase in short-term trade payables	6,470.98
Increase in long-term provisions	23.80
Increase in short-term provisions	6,345.11
Increase in other current liabilities	2,254.91
Increase in other long-term liabilities	2,843.13
Decrease in long-term trade receivables	105.54
Increase in short-term trade receivables	(663.16)
Increase in inventories	(224.21)
Increase in long-term loans and advances	(4,869.82)
Increase in short-term loans and advances	(160.59)
Increase in other current assets	(2,268.13)
Cash generated from/(used in) operations	**458.62**
Direct taxes paid (net of refunds)	(2,654.40)
Net cash flow from /(used in) operating activities (A)	**(2,195.78)**
Cash flow from investing activities	
Purchase of fixed assets, including intangible assets, CWIP and capital advances	(52,615.99)
Proceeds from sale of fixed assets	173.54
Purchase of investments	(165,963.91)
Proceeds from sale of investments	183,353.21
Redemption in deposits (having original maturity of more than three months)and margin money	5,348.77
Option fee received	3,104.79
Interest received	4,004.80
Net cash flow from /(used in) investing activities (B)	**(22,594.79)**
Cash flow from financing activities	
Proceeds from issue of shares capital	5.00
Issue of shares by subsidiary to minority	2,795.00
Proceeds from long -term borrowings	27,326.97
Repayment of long -term borrowings	(5,243.73)
Net proceeds from short -term borrowings	3,219.26
Interest paid	(3,488.87)
Net cash flow from /(used in) financing activities (C)	24,613.63

CASH FLOW STATEMENT
FOR THE PERIOD JANUARY 01, 2015 TO MARCH 31, 2016

(Rs. in Lacs)

		For the period from January 01, 2015 to March 31, 2016
Net Increase/(decrease) in cash and cash equivalents (A + B + C)		(176.94)
Cash and cash equivalents transferred on demerger		3,822.85
Cash and cash equivalents at the end of the year		**3,645.91**
Components of cash and cash equivalent		
		As at March 31, 2016 (Rs. in Lacs)
Cash on hand		69.83
Cheques/drafts on hand		280.14
Balance with banks		
On current account		2,283.70
Deposits with original maturity of less than three months		855.00
on escrow accounts*		157.24
Total cash and cash equivalents		**3,645.91**
Summary of significant accounting policies	3	

As per our report of even date

For S.R.Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Manoj Gupta
Partner
Membership Number: 83906

Place : Gurgaon
Date : May 25, 2016

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

Mohit Talwar
(Managing Director)
(DIN 02394694)

N. C. Singhal
(Director)
(DIN 00004916)

Jatin Khanna
(Chief Financial Officer)

V. Krishnan
(Company Secretary)

Place : New Delhi
Date : May 25, 2016

1. **Basis of preparation**

Max India Limited (the Company) is a public company registered under Companies Act, 2013 and incorporated on January 01, 2015. Its shares are in the process of listing on stock exchanges in India.

The Consolidated Financial Statements (CFS) comprises the financial statements of Max India Limited ("the Company") and its Subsidiaries and Joint Ventures (hereinafter referred to as "Group Companies" and together as "Group". The CFS of the Group have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) under historical cost convention on an accrual basis in compliance with all material aspects of Accounting Standards (AS) notified section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014, in case of insurance companies, the guidelines issued by the Insurance Regulatory and Development Authority (IRDAI).

The financial statements of Max Bupa Health Insurance Company Limited, subsidiary of the company, which are included in these CFS, are prepared the financial statements in compliance with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014 and in accordance with the provisions of the Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015),read with Insurance Regulatory and Development Authority of India circular IRDAII/F&A/059/03/2015 dated March 31, 2015 (The Insurance Act) Insurance Regulatory and Development Authority Act, 1999,read with IRDAI/F&A/CIR/232/12/2013 and the regulations framed there under, various circulars issued by the IRDAI and the practices prevailing within the insurance industry in India.

2. **Principles of Consolidation**

The financial statements of the Company and its subsidiaries have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating all intra-Group balances and transactions and resulting unrealized gains/losses as per AS-21 "Consolidated Financial Statements" using the uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.

Investment in Joint Ventures have been accounted by using the proportionate consolidation method as per AS - 27; "Financial Reporting of Interest in Joint Ventures".

Minority interest in the net assets of Subsidiaries consist of :

(a) The amount of equity attributable to the minorities at the date on which investment in Subsidiary is made;

(b) The minorities' share of movements in equity since the date the parent-subsidiary relationship came into existence.

The excess/deficit of cost to the Company of its investment over its portion of net worth in the consolidated entities at the respective dates on which the investment in such entities was made is recognised in the CFS as Goodwill/ Capital Reserve. The goodwill arising on consolidation is not amortised but tested for impairment on periodic basis.

All the subsidiaries and joint ventures follow financial year as accounting year. However, the financial statmeents of subsidiaries and joint ventures have been consolidated considering results from April 01, 2015 to March 31, 2016 since the financial statements from January 01, 2015 to March 31, 2015 have already been consolidated in the financial statements of Max Financial Services Limited (erstwhile Max India Limited) while preparing financial statements for the year ended March 31, 2015.

2.1 The list of subsidiary companies considered in consolidated financial statements (as per AS-21):

Sl. No.	Name of the Subsidiary	Country of Incorporation	Proportion of ownership as at March 31, 2016
1	Max Bupa Health Insurance Company Limited	India	74.00%
2	Antara Senior Living Limited	India	100.00%
3	Antara Purukul Senior Living Limited (i)	India	100.00%
4	Antara Gurgaon Senior Living Limited (i)	India	100.00%
5	Pharmax Corporation Limited	India	85.21%
6	Max Ateev Limited	India	100.00%
7	Max Skill First Limited	India	100.00%
8	Max One Distribution and Services Limited (ii)	India	100.00%
9	Max Neeman Medical International Limited (iii)	India	-
10	Max Neeman Medical International Inc (iii)	India	-
11	Max UK Limited	United Kingdom	100.00%

The list of joint venture of company considered in consolidated financial statements (as per AS-27):

Sl. No.	Name of Joint Venture	Country of Incorporation	Proportion of ownership as at March 31, 2016
1	Forum I Aviation Limited (iv)	India	20.00%
2	Max Healthcare Institute Limited (MHIL)	India	46.28%

Notes:

(i) The entities are held through Antara Senior Living Limited

(ii) The entity is held through Max Skill First Limited

(iii) Subsidiaries till April 30, 2015

(iv) The entity is a Joint Venture of Pharmax Corporation Limited

2.2 Additional information

Sl. No.	Name of the Subsidiary	Net Assets i.e total assets total liabilities		Share in profit or loss	
		Amount	As % of consolidated net assets	Amount	As % of consolidated profit or loss
	Parent				
1	Max India Limited	156,517.03	135.82%	1,496.72	-18.54%
	Indian Subsidiaries				
2	Max Bupa Health Insurance Company Limited	(45,484.33)	-39.47%	(5,068.85)	62.78%
3	Antara Senior Living Limited	1,616.60	1.40%	(1,793.90)	22.22%
4	Antara Purukul Senior Living Limited (I)	(9,563.16)	-8.30%	(2,127.86)	26.35%
5	Antara Gurgaon Senior Living Limited (I)	(1.56)	0.00%	(0.47)	0.01%
6	Pharmax Corporation Limited	1,499.16	1.30%	147.67	-1.83%
7	Max Ateev Limited	(3,131.15)	-2.72%	(5.72)	0.07%
8	Max Skill First Limited	(397.64)	-0.35%	123.99	-1.54%
9	Max One Distribution and Services Limited (ii)	(441.35)	-0.38%	(186.18)	2.31%
	Foreign Subsidiaries				
10	Max UK Limited	(57.73)	-0.05%	9.87	-0.12%
	Minority interest in all subsidiaries	(5,979.38)	-5.19%		
	Joint Ventures				
1	Forum I Aviation Limited	357.57	0.31%	(34.08)	0.42%
2	Max Healthcare Institute Limited	20,302.30	17.62%	(635.75)	7.87%
	Total	**115,236.36**	**100%**	**(8,074.56)**	**100%**

3. Summary of significant accounting policies

3.1 Use of estimates

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

3.2 Tangible fixed assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment loss, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Capital work- in progress is stated at cost.

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

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

3.3 Depreciation on tangible fixed assets

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The Group has used the following rates to provide depreciation on its fixed assets:

Assets	Useful life (years)
Factory Building	30
Other Building	60
Fences, Wells & Tubewells	5
Electrical Installations and Equipment	10
Plant and Equipment	15-25
Medical Equipment	13
Lab Equipment	10
Furniture and fixtures	5-10
Office equipment	3-5
IT Equipments (End user devices)	3
IT Equipments (Servers and network)	3-6
Vehicles including Ambulances	3-8

Leasehold improvement is amortized on a straight line basis over the period of lease

The management has estimated the useful life of the following classes of asset supported by internal technical assessment:

• MHIL - The useful life of MRI machine is estimated as 7 years which is included in medical equipment.

3.4 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight line basis over the estimated useful economic life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Intangible assets comprising of computer software and technical know-how are amortized over a period of two to six years based on management's estimate of economic useful life of the individual assets.

Cost of internally generated intangible assets

Development expenditure incurred on an individual project is recognized as an intangible asset when the Group can demonstrate all the following:

(i) the technical feasibility of completing the intangible asset so that it will be available for use.

(ii) its intention to complete the asset

(iii) its ability to use the asset

(iv) how the asset will generate future economic benefits

(v) the availability of adequate resources to complete the development and to use the asset

(vi) the ability to measure reliably the expenditure attributable to the intangible asset during development.

The cost of internally generated intangible asset includes sum of expenditure incurred from the time the intangible asset first meet the development criteria and comprises all expenditure that can be directly attributed, or allocated on a reasonable and consistent basis, to create, produce and make the asset ready for its intended use.

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

3.5 Leases

Where the Group is lessee

Finance leases, which effectively transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the 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 recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of the asset or the useful life envisaged in Schedule II to the Companies Act, 2013, whichever is lower. However, if there is no reasonable certainty that the Group will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset, the lease term or the useful life envisaged in Schedule II to the Companies Act. 2013.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the Group is the lessor

Leases in which the Group transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the net investment in the lease. After initial recognition, the Group apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognized in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

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 fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

3.6 Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

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 are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

3.7 Impairment of tangible and intangible 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 selling price 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 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.

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 longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognized in the statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the 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.

3.8 Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

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

Insurance businesses:

Investments are made in accordance with the Insurance Act, 1938 and the Insurance Regulatory & Development Authority (Investment) Regulations, 2000, and as amended subsequent circulars/notifications issued by the IRDAI from time to time. Investments are recorded at cost on date of purchase, which includes brokerage and statutory levies, if any and excludes interest paid, if any, on purchase. Diminution in the value of investment (non-linked), other than temporary decline, is charged to revenue and profit and loss account as applicable.

a) **Classification**

Investments intended to be held for a period less than twelve months or maturing within twelve months from the balance sheet date are classified as short term investments. All other investments are classified as long-term investments.

b) **Valuation - shareholders' investments and policyholders' investments**

Debt securities, which include government securities, and redeemable preference shares are considered as 'held to maturity' and measured at historical cost subject to amortization. The premium/discount, if any, on purchase of debt securities including money market instruments is recognized and amortized in the revenue account/profit and loss account, as applicable, over the remaining period to maturity on the basis of their intrinsic yield.

Listed shares, as at balance sheet date, are valued at fair value, being the last quoted closing price on National Stock Exchange (NSE) and in case the same is not available, then on the BSE Ltd (BSE). Unlisted equity shares (including awaiting listing) are stated at historical cost subject to diminution, if any, determined separately for each individual investment. Investments in Mutual fund units are valued at previous day's net asset value of the respective funds.

Rights are valued at fair value, being last quoted closing price on National Stock Exchange (NSE) and in case the same is not available, then on Bombay Stock Exchange (BSE). Unlisted rights are valued at a price computed as a difference between offer price and valuation price of the parent security.

Reverse repos are valued at cost. Fixed deposits are valued at cost till the date of maturity.

Bonus entitlements are recognized as investments on the ‘ex- bonus date’.

c) **Transfer of Investments**

Investments in debt securities are transferred from shareholders to policyholders at net amortized cost. Investments other than debt securities are transferred from shareholders to policyholders at lower of book value or market value. Transfers of investments between unit linked funds are effected at prevailing market price. No transfer of assets (investments) between different policyholders’ funds shall be allowed.

d) **Impairment of Investments**

The Group assesses at each Balance Sheet date, using internal and external sources, whether there is any indication that any investment may be impaired. In case of impairment, the amortized cost/acquisition cost in case of debt/equity securities of such investment is reduced to its fair value and the impairment loss is recognised in the Revenue/Profit and Loss account. However, at the Balance Sheet date if there is any indication among debt securities, that a previously recognized impairment loss no longer exists, then such loss is reversed and the investment is restated to that extent.

3.9 Inventories

Traded goods are valued at lower of cost and net realizable value. Cost includes purchase price including duties, taxes and other cost incurred in bringing the inventories to the present location and condition. Cost is determined on first-in-first out basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

3.10 Revenue Recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

Sale of goods

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

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

Dividend

Dividend income is recognized when the Group's right to receive dividend is established by the reporting date.

Health Insurance Business

Premium Income

Premium income and cessation thereof are recognized over the contract period or period of risk whichever is appropriate, on a gross basis (net of service tax). Any subsequent revision of premium or cancellation of the policies is accounted for in the year in which they arise.

Commission on Reinsurance Premium

Commission income on reinsurance ceded is recognized in the year of cessation of reinsurance premium.

Profit share under reinsurance treaties, wherever applicable, is recognised as income in the year of final determination of the profits and as intimated by the reinsurer.

Interest/Dividend income

Interest income is recognised on accrual basis. Accretion of discount and amortization of premium relating to debt securities is recognized as per constant yield method. Dividend is recognised when right to receive the dividend is established.

Premium/discount on purchase of investments

Accretion of discount and amortization of premium relating to debt securities is recognized as per constant yield method over the period of maturity/holding.

Profit/loss on Sale/Redemption of investments

Profit or loss on sale/redemption of investments, being the difference between sale consideration/redemption value and carrying value of investments is credited or charged to statmeent of profit and loss. The profit/loss on sale of investment include accumulated changes in the fair value previously recognized in 'Fair Value Change Account' in respect of a particular security.

Healthcare Business

Revenue from healthcare services are recognised on the performance of related services and includes service for patients undergoing treatment and pending for billing, which is shown as unbilled under other current assets. Revenues from other healthcare service providers and sponsorship and educational income are recognized on the performance of related services as per the terms of contracts.

Revenue from sale of pharmacy and pharmaceutical supplies is recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer. The Company collects sales tax and value added taxes on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

Benefits under "Served from India Scheme" available for foreign exchange earned under prevalent scheme of Government of India are accrued when the right to receive these benefits as per the terms of the scheme is established and accrued to the extent there is no significant uncertainty about the measurability and ultimate utilization.

Lease Rentals

In respect of lease rentals on non cancellable operating leases, revenue is recognized on the straight line basis and In respect of lease rental on cancellable operating lease, revenue is recognised on time proportionate basis as per related agreements. Contingent lease rent is recognized based on the occurrence of the contingency.

3.11 Foreign exchange transactions

Initial recognition

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

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences

Exchange differences arising on the settlement of monetary items, or on reporting such monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

Forward exchange contracts not intended for trading or speculation purposes

The premium or discounts arising at the inception of forward exchange contracts is amortised and recognised as an expense or income over the life of the contract. Exchange difference on such contracts is recognized in the statement of profit and loss in the period in which the exchange rate changes. Any profit or loss arising on cancellation or renewal of forward exchange contracts is recognized as income or expense for the period.

Translation of non-integral foreign operations

The Group classifies all its foreign operations as "non-integral foreign operations." The assets and liabilities of a non-integral foreign operation are translated into the reporting currency at the exchange rate prevailing at the reporting date. Their statement of profit and loss are translated at average exchange rates which approximates the exchange rates at the date of transaction. The exchange differences arising on translation are accumulated in the foreign currency translation reserve. On disposal of a non-integral foreign operation, the accumulated foreign currency translation reserve relating to that foreign operation is recognised in the statement of profit and loss.

3.12 Employee Benefits

Provident Fund

The Group contributes to employees provident fund benefits through a trust "Max India 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 minimum 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

Employee benefit in form of gratuity plan is a defined benefit obligation. The cost of providing benefit under this plan are determined on the basis of actuarial valuation at end of each year end using projected unit credit method. Actuarial gains and losses for the defined benefit plan is recognized in full in the period in which they occur in the statement of profit and loss.

Group has a recognised gratuity trust “Max India Limited Employees Gratuity Fund” which in turn has taken a insurance policy to cover the gratuity liability of the employees.

Long term incentive plan (MHIL & Max Bupa)

Employee benefit in form of long term incentive plan is a other long term employee benefit. The cost of providing benefit under this plan are determined on the basis of actuarial valuation at end of each year end using projected unit credit method. Actuarial gains and losses for the defined benefit plan is recognized in full in the period in which they occur in the statement of profit and loss.

Long term incentive plan (Other companies)

Employee benefit in form of long term incentive plan is a other long term employee benefit. The cost of providing benefit under this plan are determined on the actual basis.

Compensated Absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. 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.

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. Group 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 Group has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

3.13 Income Taxes

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

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

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

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

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

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

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

3.14 Employee Stock Option Scheme

Equity settled

Employees (including directors) of Max India Limited receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

In accordance with the Securities and Exchange Board of India (SEBI) (Share based Employee Benefits) Regulations, 2014 and the Guidance Note on Accounting for Employee Share-based Payments, the cost of equity-settled transactions is measured using the intrinsic value method and recognized, together with a corresponding increase in the “Stock options outstanding account” in reserves. 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 expense or credit recognized in the statement of profit and loss 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.

Cash settled

Employees of MHIL receive remuneration in the form of share based payment transaction, whereby employees render services as a consideration for equity instruments or cash (equity settled transactions with a cash alternative).

Stock options are measured in accordance with the Guidance Note on Accounting for Employee Share-based Payments using the intrinsic value method and recognised, together with a corresponding increase in the "Provision for employee stock options outstanding" in Provisions. The expense or credit recognised in the statement of profit and loss account for a year represents the movement in the cumulative expense recognised as at the beginning and end of that year and is recognised in employee benefit expense.

3.15 Segment reporting policies

Identification of segments

The Group’s operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on area of operations.

Inter-segment transfers

The Group generally accounts for intersegment sales and transfers at cost plus appropriate margins.

Allocation of common costs

Common allocable costs are allocated to each segment in proportion to the relative revenue of each segment.

Unallocated items

All the common income, expenses, assets and liabilities, which are not possible to be allocated to different segments, are treated as unallocated items.

Segment policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting financial statements of the Group as a whole.

3.16 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.

3.17 Provisions

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

3.18 Contingent liabilities

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

3.19 Cash and Cash equivalents

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

3.20 Other Health insurance business specific accounting policies

(a) **Premium Deficiency**

Premium deficiency is recognized whenever the sum of expected amount of claims cost, related expenses and maintenance costs exceeds related premium carried forward to the subsequent accounting period as reserve for unexpired risk.

(b) **Claims Incurred but Not Reported (IBNR) and Claims Incurred but Not Enough Reported (IBNER)**

IBNR represents that amount of claims that may have been incurred prior to the end of the current accounting year but have not been reported or claimed. The IBNER provision also includes provision, if any, required for claims incurred but not enough reported and claim equalisation reserve for benefits which may accrue after a deferment period. IBNR and IBNER liabilities are provided based on actuarial principles and certified by the Appointed Actuary of the Max Bupa. The methodology and assumptions on the basis of which the liability has been determined has also been certified by the Appointed Actuary to be appropriate, in accordance with guidelines and norms issued by the Institute of Actuaries of India and in concurrence with the IRDAI.

(c) **Reinsurance ceded**

Reinsurance cost, in respect of proportional reinsurance ceded, is accrued at policy inception. Non-proportional reinsurance cost is recognized when incurred and due. Any subsequent revision to, refunds or cancellations of premium are recognized in the year in which they occur.

(d) **Allocation of Investment Income**

Investment income on Investments backing the policyholders liability has been allocated to statement of profit and loss.

(e) **Fair Value Change Account**

Fair Value Change Account' represents unrealized gains or losses due to change in fair value of traded securities and mutual fund units outstanding at the close of the year. The balance in the account is considered as a component of shareholder's funds and not available for distribution as dividend. Unrealized loss on listed and actively traded investments held for long term are not considered to be of a permanent nature and hence not considered as impaired. However, at each balance sheet date, assesses investments for any impairment and necessary provisions are made for the same where required.

(f) **Acquisition Cost of Insurance Contracts**

Costs relating to acquisition of new and renewal of insurance contracts viz commission, policy issue expenses are expensed in the year in which they are incurred.

(g) **Advance Premium**

Advance premium represents premium received in respect of those policies issued during the year where the risk commences subsequent to the balance sheet date.

(h) **Claims Incurred**

Claims are recognized as and when reported. Claims are recorded in the revenue account, net of claims recoverable from reinsurers / co-insurers to the extent there is a reasonable certainty of realization. These estimates are progressively re-valued on availability of further information.

Estimated liability in respect of claims is provided for the intimations received upto the year end, information/estimates provided by the insured/ surveyors and judgment based on the past experience and other applicable laws and practices.

(i) **Reserve for unexpired risk**

Reserve for unexpired risk represents net premium (i.e Premium, net of reinsurance ceded) which is attributable to, and set aside for subsequent risks to be borne by the company under contractual obligations on contract period basis or risk period basis, whichever is appropriate subject to minimum reserve to be created on Miscellaneous – "Health" business under Section 64V (1) (ii) (b) of the Insurance Act, 1938.

(j) **Allocation of Operating Expenses**

Operating expenses relating to insurance business are allocated to specific classes of business on the following basis:

- Expenses that are directly identifiable to a business class are allocated on actuals
- Other expenses, that are not directly identifiable, are allocated on the basis of Gross Written Premium (GWP) in each business class.

4. Share capital

(Rs. in Lacs)

	As at March 31, 2016
Authorised shares (Nos.)	
300,000,000 equity shares of Rs. 2/- each	6,000.00
	6,000.00
Issued, subscribed and fully paid-up shares (Nos.)	
250,000 equity shares of Rs. 2/- each fully paid up	5.00
	5.00

4.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	March 31, 2016	
	No. of shares	(Rs. in Lacs)
Equity Shares		
At the beginning of the period	-	-
Issued during the period - Fresh allotment	**250,000**	**5.00**
Outstanding at the end of the year	250,000	5.00

4.2 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. The distribution will be in proportion to the number of equity shares held by the shareholders.

4.3 Details of shareholder holding more than 5% shares is set out below (legal and beneficial ownership)

Name of Shareholder	March 31, 2016	
	No. of shares	(Rs. in Lacs)
Equity shares of Rs. 2/- each fully paid		
- Max Financial Services Limited (formerly known as Max India Limited) (Including 6 shares held by nominees of MFSL)	250,000	100.00%

Subsequent to the year end, the Company has received the Foreign Investment Promotion Board (FIPB) approval to issue and allot shares to MFS's shareholders as on the record date i.e. January 28, 2016, vide its letter dated May 06, 2016. The Company has issued and allotted 26,69,83,999 equity shares of Rs. 2/- each on May 14, 2016 and the existing equity capital of the Company of Rs. 5.00 lacs which was fully held by MFS, has been cancelled pursuant to the provisions of the Scheme.

5 Reserve and surplus

(Rs. in Lacs)

	As at March 31, 2016
Capital reserve	
Balance at beginning of the period	-
Add: arising out of scheme of demerger (refer note 38)	117,701.43
	117,701.43
Employee stock option outstanding	
Balance at beginning of the period	-
Add: arising out of scheme of demerger (refer note 38)	198.38
Add/(less): compensation options granted during the year	28.96
Closing Balance	**227.34**
Foreign Currency Translation Reserve	
Balance at beginning of the period	-
Add: arising out of scheme of demerger (refer note 38)	38.74
Increase/(decrease) during the year	3.73
Closing Balance	**42.47**
Surplus/ (deficit) in the statement of profit and loss	
Balance at beginning of the period	-
Add: loss for the year	(8,074.56)
Net Surplus in the statement of profit and loss	**(8,074.56)**
Total reserves and surplus	**109,896.68**

6 **Long term borrowings**

(Rs. in Lacs)

	Non-current portion	Current maturities
	As at March 31, 2016	As at March 31, 2016
Term loans (Secured)		
From banks	35,382.98	273.96
From financial institutions	4,593.05	-
From non-banking financial companies	4,454.12	633.38
Deferred payment liabilities (Unsecured)		
Deferred payment liabilities	764.19	248.48
Financial lease obligation (Secured)	203.33	105.28
Vehicle loans (Secured)	46.31	37.16
	45,443.98	**1,298.26**
The above amount includes		
Secured borrowings	44,679.79	1,049.78
Unsecured borrowings	764.19	248.48
Amount disclosed under the head "other current liabilities" (note 11)	-	(1,298.26)
	45,443.98	-

6.1 **Term loans from banks**

Max Healthcare Institute Limited (MHIL)

i) Loan of Rs. 3,184.82 lacs from ICICI Bank Limited obtained by MHIL repayable in 36 quarterly instalments from June 2014 is secured by way of: Exclusive charge over the immovable property located at Shalimar Bagh, first pari passu charge on the whole of movable fixed assets (excluding vehicles) including medical equipments (except assets having exclusive charge in favour of SREI Equipment Finance Private Limited), movable plant and machinery, spares etc of MHIL, second pari passu charge on all the entire current assets including book debts, operating cash flows, receivables, revenue subject to prior charge in favour of working capital bankers restricted to working capital limits of Rs.7500 lacs, first pari passu charge on the whole of movable fixed assets of Max Medical Services Limited MMS), a subsidiary of MHIL and pledge of MHIL's 26% shareholding in MMS and pledge of MMS's 26% shareholding in its subsidiary Alps Hospital Limited.

ii) Loan of Rs. 462.78 lacs from IDFC Bank obtained by MHIL repayable in 52 quarterly installments from April, 2018. First pari-passu mortgage and charge over the immovable property located at Shalimar Bagh and Saket. First pari-passu charge on the whole of movable fixed assets (excluding vehicles/ equipment finance loans) including medical equipments, movable plant and machinery, spares etc and intangible asset of MHIL and its subsidiary namely Max Medical Services Limited. Charge on all the entire current assets including book debts, opearting cash flows, receivables, revenue, raw material, stock in trade and inventory of MHIL and MHIL's wholly owned subsidiary (Max Medical Services Limited) subject to prior charge in favour of working capital lenders restricted to working capital limit of Rs. 7,500 lacs in aggregate. First pari-passu charge on the whole of movable and intangible fixed assets of MHIL's wholly owned subsidiary (Max Medical Services Limited). Pledge on pari-passu basis of MHIL's 30% shareholding in its subsidiary, namely Max Medical Services Limited. Charge creation of IDFC Bank is in process as per the terms defined in sanction letter.

iii) Loan of Rs. 925.56 lacs from HDFC Bank Limited repayable in 28 quarterly installments from August 2017 is secured by way of: First charge on movable fixed assets including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures and all other movable assets of ALPS Hospital Limited (ALPS). First charge on all the book debts, operating cash flows, receivables and revenue from the project, all current assets, commissions and revenue, present and future (subject to a prior first pari-passu charge in favour of working capital bankers restricted to the present working capital limits of Rs.500 Lacs). First charge on all intangibles. Corporate guarantee given by MHIL.

iv) Term loan of Rs. 4,381.56 lacs from Axis Bank having moratorium period of 2.25 years repayable in 38 quarterly installments from December 2017 is secured by way of first charge on the entire movable/ immovable fixed Assets, of Crosslay Remedies Limited, both present and future, excluding vehicles specifically charged to other lenders, both present and future and first charge on all the current assets of Crosslay Remedies Limited and collaterally secured by way of Corporate Guarantee of MHIL.

One of the newly acquired subsidiary, Crosslay Remedies Limited (CRL), approached Corporate Debt Restructuring (CDR) cell through Punjab National Bank for restructuring of its debts availed from Canara Bank and Punjab National Bank. The final restructuring package was approved by CDR Empowered Group in August 2011. The restructuring package includes moratorium of 20 months starting from February 1, 2011 i.e. effective date of CDR for repayment of loans, reduction in rate of interest, funding of interest of moratorium period, waiver of penal interest, liquidated damages on all loans and increase in working capital limit along with additional term loan. However, during the year CRL has repaid the entire amount of term loans taken from

Canara bank and Punjab National Bank covered under the CDR. Now, after the repayments of the abovesaid term loans, CRL is out of CDR Scheme.

v) Term loan of Rs.5,843.94 lacs from Yes Bank Limited repayable in 48 structured quarterly installments from December 2018 is secured by way of: First pari passu charge over Max Super Smart Speciality Hospital, all present and future, moveable and immoveable, tangible and intangible fixed assets excluding vehicles and current assets. The charge, however, is yet to be registered with ROC. Pledge of 25.50% share capital of the Max Super Smart Speciality Hospital. Unconditional and Irrevocable corporate guarantee by MHIL for the loan period.

vi) Term loan of Rs. 5,833.10 lacs from Axis Bank Limited repayable in 52 structured quarterly installments from January 2019 is secured by way of: First pari-passu charge over Max Super Smart Speciality Hospital all present and future, moveable and immoveable, tangible and intangible fixed assets excluding vehicles and current assets. Pledge of 25.50% share capital of the Max Super Smart Speciality Hospital held by the Company. Further, there is negative lien for 21% shareholding of Max Super Smart Speciality Hospital. Unconditional and Irrevocable corporate guarantee by MHIL for the loan period.

Antara Purukul Senior Living Limited (APSL)

(i) Term Loan from Axis Bank of Rs. 15,025.18 Lacs obtained by APSL 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 APSL is building a senior living commnity" ('Project') admeasuring 19 acres (including project land of 13 acres and surplus land of 6 acres) situated at Village Chak Soloniwala, Dehradun, owned by 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.

6.2 Term loans from financial institutions

MHIL

i) Rs. 4,593.05 lacs from Housing Developing Finance Corporation Limited (HDFC) repayable in 36 quarterly installments from February, 2015.The above loans are secured by First pari-passu charge on the whole of movable fixed assets (excluding vehicles) including medical equipments (except assets having exclusive charge in favour of SREI Equipment Finance Private Limited), movable plant and machinery, spares etc of MHIL and its subsidiary namely Max Medical Services Limited. First pari-passu charge on all book debts, operating cash flows, receivables, revenue of what-so-ever nature and wherever arising of MHIL, present and future (subject to a prior charge in favour of working capital lenders restricted to working capital limits of Rs. 7,500 Lacs in aggregate). Pledge of MHIL's 26% shareholding in its subsidiary, namely Max Medical Services Limited and pledge of Max Medical Services Limited's 26% shareholding in Alps Hospital Limited.The term loans is secured by equitable mortgage of MHIL's immovable property at Plot no 1 , Press Enclave Road, Saket, New Delhi. MHIL has also created charge in favour of Canara Bank, which is acting as a security trustee for term loan.

6.3 Term loan from non-banking financial companies

MHIL and its Subsidiaries

(i) Term loan of Rs. 460.00 Lacs from SREI Equipment Finance Private Limited repayable in 28 quarterly instalments from December 2011 is secured by way of exclusive charge over the medical equipment acquired from through this facility.

(ii) Term loan from L&T Infrastructure Finance Company Limited of Rs. 4,627.50 Lacs is repayable in 32 quarterly instalment commencing from December 2014 obtained by MHIL is secured by way of assignment by way of security of all rights, titles, interests, benefits, claims and demands under the concession agreement, project documents and other contracts, first charge on movable fixed assets excluding vehicles, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures and all other movable assets, first pari passu charge on all the book debts, operating cash flows, receivables and revenue from the project, all current assets, commissions and revenue, present and future (subject to a prior charge in favour of working capital bankers restricted to the present working capital limits of Rs.1,000 Lacs each in HEPL and Rs. 500.00 Lacs in HBPL) and first charge on all intangibles.

6.4 Deferred payment liabilities represent amount payable for the acquisition of capital goods and are repayable over a period of three years.

6.5 Finance lease obligation is secured by hypothecation of medical equipments underlying the leases repayable in 20 quarterly installments commencing from December 2011.

6.6 Vehicle Loans Rs. 83.47 Lacs are secured by way of hypothecation of respective vehicles. The loans are repayable in 1 to 5 years.

7 **Deferred tax liabilities (net)**

(Rs. in Lacs)

	As at March 31, 2016
Deferred tax liability	
Fixed Assets: Impact of difference between tax depreciation and depreciation/amortisation charged for the financial reporting	214.90
Gross deferred tax liability	**214.90**
Deferred tax assets	
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	7.01
Gross deferred tax assets	**7.01**
Net deferred tax liability	**207.89**

There are few subsidiaries/joint ventures have a net deferred tax asset with brought forward losses and unabsorbed depreciation as a major component. Consequently, deferred tax asset has been required only to the event of deferred tax liabilities in those subsidiaries/joint ventures, since these in no convincing evidence which demonstrates virtual certainly of realisation of such deferred tax asset in the near future.

8 **Other long term liabilities**

(Rs. in Lacs)

	As at March 31, 2016
Other liabilities	
Advances from customers	10,129.77
Lease equalisation reserve	807.23
Others	162.45
	11,099.45

9 **Provisions**

(Rs. in Lacs)

	Long - term	Short - term
	As at March 31, 2016	As at March 31, 2016
Provision for employee benefits		
Provision for leave benefits	-	952.27
Provision for gratuity (note 24)	906.40	111.45
Provision for employee stock options	-	21.33
Provision for long term incentive plan	-	575.01
Other provisions		
Provision for reserve for unexpired risk	-	26,244.60
Provision for income tax (net of advance tax)	-	25.66
	906.40	**27,930.32**

10 **Short term borrowings**

(Rs. in Lacs)

	As at March 31, 2016
Loans repayable on demand	
Cash credit from banks (secured)	4,426.82
Short term loan from banks (unsecured)	1,156.94
	5,583.76
The above amount includes	
Secured borrowings	4,426.82
Unsecured borrowings	1,156.94
	5,583.76

MHIL

Cash credit facilities availed by MHIL and ALPS are secured by way of prior pari – passu charge on stocks, book debts and other current assets, present and future of the company prior to charge in favour of term lenders of MHIL and ALPS. The cash credit is repayable on demand.

HEPL and HBPL

Cash credit facility availed by HEPL and HBPL from bank is secured by:

First charge by way of hypothecation of the entire current assets of the respective companies, present and future (prior to charge in favour of term lenders), except escrow account with the Government of Punjab. Second charge on the entire movable fixed assets (excluding vehicles) both present and future.

Crosslay Remedies Limited (CRL)

Working capital facilities from Axis bank is secured by way of first charge on entire movable / immovable fixed assets of CRL both present and future, excluding vehicles specially charged to other lenders, both present and future and first charge on all the current assets of Crosslay Remedies Limited and collaterally secured by way of Corporate Guarantee of the MHIL.

Saket City Hospital Private Limited (SCHPL)

Cash credit taken by SCHPL, Max Smart Super Speciality Hospital "MSSH", is secured by way of first pari passu charge over MSSH all present and future, moveable and immoveable, tangible and intangible fixed assets excluding vehicles and current assets. Pledge of 25.50% share capital of the MSSH held by the MHIL, unconditional and irrevocable corporate guarantee by the MHIL for the loan period. The charge, however, is yet to be registered with ROC.

11 **Current Liabilities**

(Rs. in Lacs)

	As at March 31, 2016
Trade payables	
• Total outstanding dues of micro enterprises and small enterprises	-
• Total outstanding dues of creditors other than micro enterprises and small enterprises	20,517.55
Other liabilities	
Current maturities of long-term borrowings (note 6)	1,192.98
Current maturity of finance lease obligation (note 6)	105.28
Interest accrued but not due on borrowings	130.29
Advance from customers and policyholders	1,521.07
Claims outstanding (includes claims pending investigation)	4,956.49
Unclaimed amount - policyholders	266.65
Other liabilities	
Security deposit received	194.08
Statutory dues payable	1,734.24
Unexpired discount on forward contracts	0.99
Capital creditors	1,624.21
Others	215.97
	11,942.25
	32,459.80

11.1 Details of dues to Micro and Small Enterprises as per MSMED Act, 2006

(Rs. in Lacs)

	As at March 31, 2016
The principal amount due and remaining unpaid to any supplier as at the end of each accounting year.	Nil
The interest due on unpaid principal amount remaining as at the end of each accounting year.	NiL
The amount of interest paid by the buyer in terms of Section 16, of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006.	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year; and,	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	Nil

12 Tangible assets

(Rs. in Lacs)

	Land (Freehold)	Land (Leasehold)	Building	Plan & equipment*	Furniture & fixture	Office equipments	Vehicles	Leasehold Improvements	Electrical Installation & Equipments	Computer & Data processing Units	Total
Cost											
Opening balance	-	-	-	-	-	-	-	-	-	-	-
Assets acquired on demerger (refer note 38)	5,879.17	2,896.86	15,311.06	22,622.31	2,305.25	1,452.16	905.98	5,584.45	1,660.90	2,888.84	61,506.98
Additions	5.50	-	137.44	1,697.56	79.77	120.94	208.97	67.37	78.67	157.33	2,553.55
Deletions/ Adjustments	-	-	-	(237.82)	(28.50)	(62.41)	(262.29)	(49.49)	(0.93)	(175.02)	(816.46)
Adjustment on account of acquisition	-	881.13	3,469.43	6,765.79	480.36	60.62	52.76	-	6.02	153.18	11,869.29
March 31, 2016	**5,884.67**	**3,777.99**	**18,917.93**	**30,847.84**	**2,836.88**	**1,571.31**	**905.42**	**5,602.33**	**1,744.66**	**3,024.33**	**75,113.36**
Depreciation											
Depreciation on acquired assets on demerger (refer note 38)	-	-	1,680.24	9,047.07	1,205.44	817.02	338.33	2,452.07	592.82	1,874.98	18,007.97
Charge for the year	-	-	509.69	2,396.43	260.18	244.69	121.31	459.38	178.63	481.70	4,652.01
Deletions/ Adjustments	-	-	-	(221.97)	(21.45)	(40.16)	(133.63)	(31.05)	(0.46)	(160.96)	(609.68)
Adjustment on account of acquisition	-	-	274.43	1,732.17	205.47	30.08	15.73	-	2.78	119.40	2,380.06
Opening balance	-	-	-	-	-	-	-	-	-	-	-
March 31, 2016	**-**	**-**	**2,464.36**	**12,953.70**	**1,649.64**	**1,051.63**	**341.74**	**2,880.40**	**773.77**	**2,315.12**	**24,430.36**
Net Block											
March 31, 2016	**5,884.67**	**3,777.99**	**16,453.57**	**17,894.14**	**1,187.24**	**519.68**	**563.68**	**2,721.93**	**970.89**	**709.21**	**50,683.00**

12.1 Max Healthcare Institute Limited (MHIL)

Land pertaining to hospital situated in Noida, Pitampura, Panchsheel and Shalimar Bagh is under perpetual lease.

Land measuring 3.15 acres each pertaining to hospital situated in Mohali & Bathinda has been provided by Punjab Government on long term lease of 50 years without consideration.

The Group has in its favour a sub lease for plot measuring 1.23 acres of land in Gurgaon for an initial period of 97 years, which can be further renewed for two terms of 97 years each.

12.2 Medical Equipment includes medical equipment taken on finance lease:

(Rs. in Lacs)

	As at March 31, 2016
Gross Block	906.28
Depreciation charge for the year	86.34
Accumulated depreciation	279.52
Net book value	**626.76**

Pharmax Corporation Limited
Land under perpetual lease Rs. 1.82 Lacs

The following assets given on an operating lease:

(Rs. in Lacs)

	Building As at March 31, 2016	Plant & Equipment As at March 31, 2016
Gross Block	361.54	138.59
Depreciation charge for the year	5.68	6.12
Accumulated depreciation	75.63	122.40
Net book value	**285.91**	**16.19**

12.4 During the year, one of subsidiary of joint venture company, HBPL has charged on depreciation of Rs. 36.55 lacs on radiology assets.

12.5 Letter of credit facility of Rs. 200 lacs sanctioned to subsidiary of joint venture company, MMSL by Yes Bank Ltd. is secured by second charge on movable fixed assets of MMSL amounting to Rs 4,391 lacs.

13. Intangible Assets

(Rs. in Lacs)

	Non compete fee	Computer Software	Technical know how	Total
Cost				
Opening balance	-	-	-	-
Assets acquired on demerger (refer note 38)	-	4,795.50	57.29	4,852.79
Additions	585.41	990.79	-	1,576.20
Deletions/ Adjustments	-	(125.93)	(57.29)	(183.22)
Adjustment on account of acquisition	-	139.76	-	139.76
March 31, 2016	**585.41**	**5,800.12**	**-**	**6,385.53**
Amortization				
Opening balance	-	-	-	-
Depreciation on acquired assets on demerger (refer note 38)	-	3,076.32	57.29	3,133.61
Charge for the year	61.09	840.85	-	901.94
Deletions/ Adjustments	-	(112.59)	(57.29)	(169.88)
Adjustment on account of acquisition	-	97.18		97.18
March 31, 2016	**61.09**	**3,901.76**	**-**	**3,962.85**
Net Block				
March 31, 2016	**524.32**	**1,898.36**	**-**	**2,422.68**

13.1 Non compete fees represents amount paid to erstwile owners of CRPL as per the terms of share purchase agreement dated May 28, 2015. The non compete fees is amortised over a period of seven years.

14 Non-current investments

(Rs. in Lacs)

	As at March 31, 2016
Non-trade investments (valued at cost unless stated otherwise)	
Health Insurance Business:	
Bonds (quoted)	5,046.78
Government and trust securities (quoted)	14,967.93
Term deposits (unquoted)	1,896.00
Investment in infrastructure & social sector (quoted)	11,144.41
Other approved securities (quoted)	3,083.69
	36,138.81
Pharmax Corporation Limited	
Max Speciality Films Limited	
3,38,350 Equity Share of Rs 50/- fully paid up	168.98
	168.98
	36,307.79
Aggregate market value of quoted investments	34,871.90
Aggregate amount of quoted investments	34,242.81
Aggregate amount of unquoted investments	2,064.98

15 Loans and Advances

(Rs. in Lacs)

		Non - Current	Current
		As at March 31, 2016	As at March 31, 2016
Capital Advances			
Secured, considered good		715.35	-
Unsecured, considered good		8,882.97	-
	A	**9,598.32**	**-**
Security Deposits			
Secured, considered good		-	
Unsecured, considered good		14,780.32	7.72
Doubtful		10.73	-
		14,791.05	**7.72**
Provision for doubtful security deposit		(10.73)	-
	B	**14,780.32**	**7.72**
Advances recoverable in cash or in kind			
Secured, considered good			
Unsecured, considered good		-	879.08
Doubtful		-	1,084.26
		-	**1,963.34**
Provision for doubtful advances		-	(1,084.26)
	C	**-**	**879.08**
Intercorporate deposits			
Secured, considered good		-	
Unsecured, considered good		**419.54**	**-**
	D	**419.54**	**-**
Other loans and advances (unsecured, considered good unless stated otherwise)			
Balances with statutory/government authorities		26.61	390.25
Prepaid expenses		9.11	648.17
Loans to employees		10.74	20.45
MAT credit entitlement		99.11	274.34
Advance income tax (net of provisions)		3,067.96	701.77
	E	**3,213.53**	**2,034.98**
Total (A+B+C+D+E)		**28,011.71**	**2,921.78**

i) The Group has till date recognised Rs. 373.45 lacs as Minimum Alternate Tax (MAT) credit entitlement which represents that portion of the MAT Liability, the credit of which would be available based on the provision of Section 115JAA of the Income Tax Act, 1961. The management based on the future profitability projections is confident that there would be sufficient taxable profits in future which will enable the Group to utilize the above MAT credit entitlement.

ii) Vide Termination agreement dated November 27,2015, SCHPL has converted the loan amount including interest thereon along with trade receivables from Gujarmal Modi Hospital and Research Centre for Medical Sciences (Society) to refundable security deposit. The said security deposit shall be repayable out of the surplus funds available with the society along with the interest agreed (upto 12% per annum).

16. Trade Receivables

(Rs. in Lacs)

		Non - Current	Current
		As at March 31, 2016	As at March 31, 2016
Unsecured, considered good unless stated otherwise			
Outstanding for a period exceeding six months from the date they are due for payment			
Unsecured, considered good		-	952.84
Doubtful		-	2,202.36
		-	**3,155.20**
Provision for doubtful receivables		-	(2,202.36)
	A	**-**	**952.84**
Other receivables			
Unsecured, considered good		1,688.13	9,681.78
	B	**1,688.13**	**9,681.78**
	Total (A+B)	**1,688.13**	**10,634.62**

Notes:

a) As at December 10, 2001, MMS a subsidiary of joint venture entity (MHIL) had entered into an agreement with a healthcare service provider to construct a hospital building. The phase I of the construction was completed and handed over in financial year 2004-05 for a consideration of Rs. 2,431 Lacs. The said consideration is repayable in equal instalments over 26.5 years from the handover date. Further, "MMS" has completed phase II of the construction in financial year 2010-11 and handed over the possession for a consideration of Rs. 3,520 Lacs. The said consideration is repayable in equal instalments over 20.5 years from the handover date. Accordingly, the non current portion represents the Group share of Joint Venture with respect to this transaction.

b) Since the receipt of the consideration is spread over 26.5 years and 20.5 years respectively for phase I and phase II, an income amounting to Rs. 422.68 Lacs has been recognized based on a fixed percentage of the turnover of the healthcare service provider and disclosed under "Other Income" as income from deferred credit.

17 Other assets

(Rs. in Lacs)

	Non - Current	Current
	As at March 31, 2016	As at March 31, 2016
Unsecured, considered good unless stated otherwise		
Non-current bank balances (note 20)		
Deposit with original maturity for more than 12 months	10.00	-
Marginal money deposit	29.87	-
Others		
Interest accrued on fixed deposits	9.31	14.40
Interest accrued on investments	-	1,906.50
Others	-	696.58
Unbilled revenue	-	1,190.27
Option fee receivable		814.73
	49.18	**4,622.48**

18 Current Investments

(Rs. in Lacs)

	As at March 31, 2016
Current investments	
Health Insurance Business:	
Bonds (quoted)	2,729.66
Term deposits (unquoted)	10,345.28
Unit in mutual funds (unquoted)	5,520.95
Commercial paper (quoted)	1,880.22
	20,476.11
Other Business (valued at lower of cost and fair value, unless stated otherwise)	
Unquoted Mutual funds	
Tata Money Market Fund - Direct Fund Growth	16,162.81
701,846 units of Face value Rs. 1000/- per unit fully paid	
Tata Liquid Fund Direct Plan - Growth	151.44
6,242 units of Face value Rs. 1000/- per unit fully paid	
Tata Money Market Fund - Direct Fund Growth	550.00
24,425 units of Face value Rs. 1000/- per unit fully paid	
Birla Sun Life Cash Plus - Direct Plan	100.00
47,885 units of Face value Rs. 1000/- per unit fully paid	
SBI Ultra Short Term debt Fund-Regular plan-Growth	10.00
2,702 units of Face value Rs. 1000/- per unit fully paid	
Axis Liquid fund - Direct Plan	0.16
9 units of Face value Rs. 1000/- per unit fully paid	
	16,974.41
	37,450.52
Aggregate market value of quoted investments	4,635.86
Aggregate amount of quoted investments	4,609.88
Aggregate amount of unquoted investments	32,840.64

19 Inventories (at lower of cost and net realisable value)

(Rs. in Lacs)

	As at March 31, 2016
Stores and spares	13.19
Traded goods of pharmacy and pharmaceuticals supplies	1,074.29
	1,087.48

20 Cash and Bank Balances

(Rs. in Lacs)

	Non - Current	Current
	As at March 31, 2016	As at March 31, 2016
Cash and cash equivalents		
Balances with banks		
on current accounts	-	2,283.70
on escrow accounts	-	157.24
Deposits with original maturity of less than three months	-	855.00
Cheques/drafts on hand	-	280.14
Cash on hand	-	69.83
	-	**3,645.91**
Other Bank Balances		
Deposits with remaining maturity for more than 3 months but less than 12 months	-	3.69
Deposits with remaining maturity for more than 12 months	10.00	-
Margin money deposits	29.87	48.55
	39.87	**52.24**
Amount of non current assets disclosed under other current assets (note 17)	**39.87**	
	-	**3,698.15**

Other bank balances includes deposits given as security
Rs. 4.16 Lacs to secure bank guarantee given to sales tax authorities.
Rs. 41.94 Lacs to secure performance bank guarantee issued to customer.
Rs. 46.01 Lacs to secure performance bank guarantee in favour of Government Authorities.

21 Revenue from operations

(Rs. in Lacs)

	For the period from January 01, 2015 to March 31, 2016
Sale of products	
Traded goods	
Pharmacy and pharmaceuticals supplies	6,730.94
	6,730.94
Sale of services	
Healthcare services	58,558.11
Health insurance premium (net)	39,310.96
Lease rentals	1,310.37
Training Income	3,295.66
Shared services income	1,456.37
Others	509.51
	104,440.98
Other Operating revenue	
Income from investment activities	
Interest income on	
Government securities	1,045.96
Bonds	1,152.50
Fixed deposits	1,409.98
Amortisation of discount/(premium)	372.76
Profit on sale of investments	2,472.08
Option fees	3,104.79
	9,558.07
Other	
Other operating revenue from Healthcare services	
- Sponsorship and educational income	179.56
- Income from laundry services	65.25
- Income from ancillary activities	125.88
Export benefits	86.15
	456.84
Total Other operating revenue	**10,014.91**
Revenue from operations (net)	**121,186.83**

21.1 The Company has a put option to transfer upto 24% of its shareholding in Max Bupa Health Insurance Co. Limited and Bupa Singapore Pte. Limited (Bupa Singapore) has a call option under which the Company would be required to transfer 24% of its shareholding in Max Bupa Health Insurance Co. Limited to Bupa Singapore subject to approval under applicable laws and regulations. As a consideration of the call option granted by the Company, Bupa Singapore is obliged to pay an option fee, which is disclosed as above.

22 Other Income

(Rs. in Lacs)

	For the period from January 01, 2015 to March 31, 2016
Dividend income on long term investment	3.38
Interest income on	
Inter corporate deposits	212.72
Fixed deposits	88.52
Others	95.12
Profit on sale of current investments	371.97
Liabilities/provisions no longer required written back	218.41
Income from deferred credit	422.68
Other non operating income	150.12
	1,562.92

23. (Increase) / decrease in work-in-progress, finished goods and traded goods

(Rs. in Lacs)

	For the period from January 01, 2015 to March 31, 2016
Inventories at end of period	
Traded goods - pharmacy and pharmaceuticals supplies	1,074.29
	1,074.29
Inventories at beginning of the period	
Traded goods - pharmacy and pharmaceuticals supplies	-
	-
(Increase)/ decrease in work-in-progress and finished goods and traded goods	(1,074.29)
Less: acquired during the year	99.85
Less: arising on account of demerger (refer note 38)	851.90
Net (Increase)/ decrease in work-in-progress, finished goods and traded goods	**(122.54)**
Details of inventory	
Traded goods	
Pharmacy and pharmaceuticals supplies	1,074.29
	1,074.29

24 Employee benefit expenses

(Rs. in Lacs)

	For the period from January 01, 2015 to March 31, 2016
Salaries, wages and bonus	29,598.09
Contribution to provident and other funds	1,044.59
Employee stock option scheme (note 29)	30.88
Gratuity expense (note 24.1)	321.04
Staff welfare expenses	938.52
	31,933.12

24.1 Gratuity

The group has a defined benefit gratuity plan. Every employee who has completed 5 years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India and Max Life Insurance Company Ltd. in form of a qualifying insurance policy. The scheme of the compnay is unfunded presently.

The following table summarises the component of net benefit expense recognised in statement of profit and loss, the funded status and the amount recognised in the balance sheet in respect of defined benefit plans.

Statement of profit and loss
Net employee benefit expense recognized in employee cost

(Rs. in Lacs)

	Gratuity As at March 31, 2016
Current service cost	243.24
Interest cost on benefit obligation	72.71
Expected return on plan assets	(29.75)
Net actuarial (gain) / loss recognized in the period	34.84
Net benefit expense	**321.04**
Actual return on plan assets	(2.31)

Balance sheet
Benefit asset/ liability

(Rs. in Lacs)

	Gratuity As at March 31, 2016
Defined benefit obligation	1,233.31
Fair value of plan assets	215.46
Funded Status	(1017.85)
Plan asset / (liability)	**(1017.85)**

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

(Rs. in Lacs)

	Gratuity As at March 31, 2016
Value of obligation transferred on demerger	898.65
Interest cost	72.71
Current service cost	243.24
Benefits paid by fund	(72.82)
Benefits paid by employer	(64.78)
Adjustment of account of acquisition	134.69
Actuarial (gains) / losses on obligation	21.62
Closing defined benefit obligation	**1233.31**

Changes in the fair value of plan assets are as follows:

(Rs. in Lacs)

	Gratuity As at March 31, 2016
Fair value of plan assets transferred on demerger	218.43
Expected return	17.16
Contributions by employer	65.91
Benefits paid	(72.82)
Actuarial gains / (losses)	(13.22)
Closing fair value of plan assets	**215.46**

The principal assumptions used in determining benefit obligations for the Company's plans are shown below:

	Gratuity
	As at March 31, 2016
Discount rate	7.25%-8.00%
Expected rate of return on assets	7.00%-23.13%
Retirement Age	58-67 years
Employee turnover	3%-55%

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Further, the overall expected rate on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been no significant change in expected rate of return on assets.

Amounts for the current are as follows:

(Rs. in Lacs)

	As at March 31, 2016
Defined benefit obligation	1,233.31
Plan assets	215.46
Surplus / (deficit)	(1,017.85)
Experience adjustments on plan liabilities	(11.12)
Experience adjustments on plan assets	(1.85)

24.2 Provident Fund

The Group has contributed in provident fund trust "Max India Limited Employees Provident Trust Fund" which is a common fund for Max India Limited and its 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 as per AS-15 (Revised).

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 India Limited Employees Provident Trust Fund" which is a common fund for Max India Limited and its subsidiaries based on assumptions provided below.

The details of fund and plan asset position as at March 31, 2016 as per the actuarial valuation of active members are as follows:

(Rs. in Lacs)

	As at March 31, 2016
Plan assets at year end at fair value	11,111.83
Present value of defined benefit obligation at year end	11,034.59
Surplus as per actuarial certificate	77.24
Shortfall recognised in balance sheet	-
Active members as at year end (Nos)	5,005

Assumptions used in determining the present value obligation of the interest rate guarantee under the deterministic approach:

(Rs. in Lacs)

	As at March 31, 2016
Discount rate for the term of the obligation	7.72%
Average historic yield on the investment portfolio	9.06%
Discount rate for the remaining term to maturity of the investment portfolio	7.72%
Expected investment return	9.06%
Guaranteed rate of return	8.75%

25 **Other expenses**

(Rs. in Lacs)

	For the period from January 01, 2015 to March 31, 2016
Claims and other benefits payout	23,267.29
Agents' commission for health insurance business	4,479.73
Policy issuance cost	690.05
Professional and Consultancy Fees	15,164.58
Legal and professional	4,527.66
Concession Fee	568.42
Management service charges	744.72
Power and fuel	2,162.50
Recruitment and training expenses	1,319.21
Outside lab investigation	400.43
Patient catering expenses	785.05
Rent	2,750.25
Insurance	440.69
Rates and taxes	247.54
Repairs and maintenance:	
Building	586.57
Plant and equipments	1,305.65
Others	3,227.63
Printing and stationery	538.71
Travelling and conveyance	1,875.31
Communication	833.17
Directors' sitting fee	151.85
Commission to other than sole selling agents	18.99
Branding, advertisement and publicity	4,221.53
Provision for doubtful debts and advances	628.66
Net loss on sale/disposal of fixed assets	33.16
Doubtful advances written off	251.18
Fixed assets written off	0.08
Charity and donation	0.77
Net loss on foreign exchange fluctuation	25.62
Miscellaneous expenses	309.44
	71,556.44

26 **Depreciation and amortisation**

(Rs. in Lacs)

	For the period from January 01, 2015 to March 31, 2016
Depreciation of tangible assets	4,652.01
Amortization of intangible assets	901.94
	5,553.95

27 **Finance Cost**

(Rs. in Lacs)

	For the period from January 01, 2015 to March 31, 2016
Interest	3,488.87
Bank charges	607.22
	4,096.09

28 Earnings per share (EPS)

(Rs. in Lacs)

	For the period March 31, 2016
Basic EPS (Nominal value of share Rs 2 each)	
Profit after tax (after adjusting minority interest) (Rs. in Lacs)	(8,074.56)
Net profit for calculation of basic EPS	(8,074.56)
Weighted average number of equity shares outstanding during the year (Nos.)	266,998,381
Basic Earnings Per Share (Rs.)	(3.02)
Dilutive EPS (Nominal value of share Rs 2 each)	
Equivalent weighted average number of employee stock options outstanding	2,769,196
Weighted average number of equity shares outstanding during the year for dilutive earnings per share (Nos)	269,767,577
Diluted Earnings Per Share (Rs.)	(2.99)

*Note: The conversion effect of potential dilutive equity shares for previous year were anti dilutive in nature, hence the effect of potential equity shares are ignored in calculating diluted earnings per share.

29. Employee Stock Option Plan

29.1 Max India Limited

Employee Stock Option Plan – 2003 (“the 2003 Plan”):

Max Financial Services Limited-"MFSL" (formerly known as Max India Limited) had instituted the 2003 Plan, which was approved by the Board of Directors in August 25, 2003 and by the shareholders in September 30, 2003. The 2003 Plan provides for grant of stock options aggregating not more than 5% of number of issued equity shares of MFSL to eligible employees of MFSL. The 2003 Plan is administered by the Nomination and Remuneration Committee appointed by the Board of Directors. Under the plan, the employees receive shares of MFSL upon completion of vesting conditions such as rendering of services across vesting period. Vesting period ranges from one to five years and options can be exercised within two years from vesting date. As amended in the 2003 Plan and approved the shareholders in Annual General Meeting held on September 30, 2014, 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 MFSL.

Pursuant to the Scheme of demerger, with respect to the employee’s stock options granted by the de-merged company i.e. MFS to its employees (irrespective of whether they continue to be employees of MFS or become employees of the Company) shall be allotted one stock option by the Company under the new ESOP scheme for every stock option held in MFS. Accordingly, ESOP outstanding as on the effective date in MFS shall be allocated between the demerged company and resulting companies. The Company is in the process of implementation of ESOP scheme on terms and conditions similar to the relevant ESOP plan of MFSL. Accordingly, 2,503,560 stock options granted to the employees of MFSL and outstanding as on Effective date i.e. January 15, 2016 are eligible for stock options of the Company under new ESOP scheme on similar terms and conditions. These ESOPs have intrinsic value of Rs.198.38 lacs, which got transferred to the Company.

29.2 Max Healthcare Institute Limited

Employee Stock Option Plan - 2006 ("the 2006 Plan")

The company has instituted the 2006 Plan, which was approved by the Board of Directors on July 31, 2006 and subsequently by the shareholders on August 10, 2006. The 2006 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 2006 Plan is administered by the Remuneration Committee appointed by the Board of Directors. Vesting period ranges from one to five years and options can be exercised after one year from vesting date.

The 2006 Plan gives an option to the employee to purchase the share at a price determined by remuneration committee subject to minimum par value of shares (Rs. 10/-). However employees have a right to choose to settle in cash at a value calculated as a difference between Fair Market value of Shares and Exercise Price of Share. The Company has valued Employee Stock Option outstanding as at year end presuming all the employees will exercise their option in favour of cash settlement or equity settlement based on trend of last two years.

The details of activity under the Scheme are summarized below:

Particulars	March 31, 2016	
	No. of options	Weighted Average exercise prices (Rs.)
Outstanding at the start of the year	1,613,000	48.32
Granted during the Year	2,286,342	54.39
Forfeited during the year	-	-
Exercised during the year	200,000	28.75
Outstanding at the end of the year	3,699,342	53.13
Exercisable at the end of the year	240,500	42.73

For options exercised during the year, the weighted average share price at the exercise date was Rs 28.75 per share

The weighted average fair value of stock options granted during the year was Rs 54.39

The weighted average remaining contractual life for the stock options outstanding as at March 31, 2016 are as follows:

Grant Date	March 31, 2016	
	No. of options	Weighted Average exercise prices (Rs.)
1-Mar-12	220,000	5.14
1-Oct-12	300,000	5.84
25-Mar-14	893,000	7.25
1-Jul-15	1,585,070	7.35
1-Aug-15	508,626	7.44
25-Aug-15	150,646	7.50
3-Feb-15	42,000	6.42

Stock compensation expense under the Fair Value method has been determined based on fair value of the stock options. During the year, no options have been granted. The fair value of stock options was determined using the Black Scholes option pricing model with the following assumptions.

Black Scholes Option Pricing model

(Rs. in Lacs)

Particulars	As at March 31, 2016
A. Stock Price Now (in Rupees)	47.65
B. Exercise Price (X) (in Rupees)	53.13
C. Expected Volatility (Standard Dev - Annual)	44.93%
D. Historical Volatility	
E. Expected Life of the options granted (Vesting and exercise period) in years	7.08 Years
F. Expected Dividend	Nil
G. Average Risk- Free Interest Rate	7.81%
H. Expected Dividend Rate	Nil

The expected life of the stock is based on historical data and current expectations and is not necessarily indicative of exercise pattern that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

The company measures the cost of ESOP using the intrinsic value method. Had the company used the fair value model to determine compensation, its profit after tax and earnings per share as reported would have changed to the amounts indicated below:

Particulars	For the period from January 01, 2015 to March 31, 2016
Net Profit after tax and minority interest as reported (Rs. in Lacs)	(8,074.56)
Add: Employee stock compensation under intrinsic value method (Rs. in Lacs)	30.88
Less: Employee stock compensation under fair value method (Rs. in Lacs)	(122.43)
Performa profit (Rs. in Lacs)	(8,166.11)
Earnings Per Share	
Basic (Rs.)	
- As reported	(3.03)
- Performa	(3.06)
Diluted (Rs.)	
- As reported	(3.00)
- Performa	(3.03)

30. Leases

30.1 Finance lease: group as lessee

The group has finance leases and hire purchase contracts for various items of medical equipments. Upon the expiry of lease term the absolute and unencumbered ownership of the equipment shall vest with the Group 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:

(Rs. in Lacs)

	March 31, 2016	
	Minimum payments	Present value of MLP
Within one year	127.72	105.28
After one year but not more than five years	243.42	203.33
More than five years	-	-
Present value of minimum lease payments	**371.14**	**308.61**

30.2 Operating lease: group as lessee

Lease rentals recognized in the statement of profit and loss for the year is Rs. 2,750.25 Lacs

The group 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. The total of future minimum lease payments under non-cancellable leases are as follows:

(Rs. in Lacs)

Particulars	As at March 31, 2016
Not later than one year	1,709.11
Later than one year and not later than five year	5,942.39
Later than five year	9,511.62
Total	**17,163.12**

31. Capitalisation of Expenditure

(Rs. in Lacs)

Particulars	As at March 31, 2016
Arising on account of demerger	8.33
Less: Capitalised during the year	(3.24)
Preoperative expenses pending capitalisation	**5.09**

32. Interest in a joint venture

The Group holds, 46.28% interest in Max Healthcare Institute Limited (MHIL) (incorporated in India), a joint controlled entity which is involved in the business of healthcare services and 20.00% interest in Forum I Aviation Limited (FIAL) (incorporated in India), a joint controlled entity which is involved in the business of aircraft chartering services to its members.

(Rs. in Lacs)

	Max Healthcare	Forum I Aviation Limited
	As at March 31, 2016	As at March 31, 2016
Current assets	13,373.88	122.49
Non current assets	89,223.83	1,241.63
Current liabilities	(19,385.74)	(13.70)
Non Current liabilities	(31,080.48)	(282.12)
Equity	**52,131.49**	**1,068.30**
Revenue	68,256.58	512.27
Cost of material consumed	(18,444.61)	-
Depreciation	(4,007.91)	(64.63)
Finance cost	(3,380.49)	(4.44)
Employee benefit expenses	(13,971.23)	(97.24)
Other expenses	(29,113.55)	(338.89)
Profit/(Loss) before tax	**(661.21)**	**7.06**
Tax expense	-	45.96
Profit/(Loss) after tax	**(661.21)**	**(38.89)**
Capital commitments	2,077.99	
Contingent liabilities	15,275.58	

33. **Segment Information**

33.1 Business Segments

The Company has considered business segment as the primary segment for disclosure. The products/ services included in each of the reported business segments are as follows:

a) Healthcare Business – Some of the Company's subsidiaries/joint ventures are engaged in the delivery of healthcare services in North India through its primary and tertiary healthcare centers. This also includes revenue from leasing of medical and other equipment.

b) Business Investments – This segment is represented by treasury investments.

c) Health Insurance - This segment relates to the health insurance business carried out pan India, by one of the Company's subsidiary.

d) Senior Living – One of the Company's subsidiaries is engaged in the business of senior living.

e) Others - The leasing activities undertaken by one of the Company's subsidiary are classified under this segment.

The above business segments have been identified considering:

(i) The nature of products and services

(ii) The differing risks and returns

(iii) Organizational structure of the group, and

(iv) The internal financial reporting systems

Segment Revenue consists of segment revenue from external customers and revenue from other segments.

Segment Result is the difference of segment revenue and segment operating expenses.

Unallocated Assets include assets pertaining to the holding company's corporate office such as, loans, advance and deposits.

Unallocated Liabilities include tax provisions and interest bearing loans not directly related to any business segment.

Unallocated Expenses - Expenses incurred at corporate office of the holding company relate to various business segments. As there is no reasonable basis of allocating this expenditure to various segments, the same are shown as unallocated reconciling expenses. Interest expense is not treated as part of a segment expense and is reflected as a separate line item.

33.2 Geographical Segments

The Company has considered geographical segment as secondary reporting segment for disclosure. For this purpose, the revenues are bifurcated based on location of customers in India and outside India.

33.3 Segment Information

(Rs. in Lacs)

	Healthcare	Health Insurance Business	Senior Living Business	Business Investments	Others	Total
	2016	2016	2016	2016	2016	2016
a. **Segment Revenue from**						
Sales to external customers	6,730.94	-	-	-	-	6,730.94
Service Income	59,567.80	39,310.96	-	1,340.67	4,221.55	104,440.98
Service/Interest Income from inter segments	134.97	-	57.27	580.33	193.16	965.73
Income from investment activities	-	4,303.30	-	5,254.77	-	9,558.07
Other operating revenue	456.84	-	-	-	-	456.84
Total Segment Revenue	**66,890.55**	**43,614.26**	**57.27**	**7,175.77**	**4,414.71**	**122,152.56**
Less: Inter segment revenue	134.97	-	57.27	580.33	193.16	965.73
Revenue from operations	**66,755.58**	**43,614.26**	**-**	**6,595.44**	**4,221.55**	**121,186.83**
b. **Segments Results**	2,510.52	(6,398.06)	(3,296.49)	5,388.84	(69.36)	(1,864.55)
Interest Income						395.11
Sub-total						**(1,469.44)**
Less:						
Unallocated Expenses (Net of unallocated income)						3,271.99
Interest Expenses						**4,096.09**
Profit before tax						**(8,837.52)**
Provision for taxation (includes provision for Deferred Tax)						**1,019.96**
Profit after tax						**(9,857.48)**
Minority Interest						1,782.92
Profit after tax (after adjusted minority interest)						**(8,074.56)**
c. **Carrying amount of segment assets**	74,433.63	64,291.71	35,055.14	16,246.83	7,792.46	197,819.77
Add: Unallocated assets						6,585.14
Goodwill						40,541.15
Total Assets						**244,946.06**
d. **Segment Liabilities**	13,009.79	43,324.04	12,680.04	-	8,129.83	77,143.70
Add: Unallocated liabilities						46,487.90
Total Liabilities						**123,631.60**

(Rs. in Lacs)

	Healthcare	Health Insurance Business	Senior Living Business	Business Investments	Others	Total
	2016	2016	2016	2016	2016	2016
e Cost to acquire tangible and intangible fixed assets	14,337.73	291.73	12,097.44	-	662.49	27,389.38
Unallocated						156.70
Total Addition						**27,546.08**
f. Depreciation and amortisation expenses	4,008.10	1,145.12	187.77	-	139.86	5,480.85
Unallocated depreciation & amortization						73.10
Total depreciation and amortization						**5,553.95**
g. Non-cash expenses other than depreciation and amortisation	6.89	-	-	-	(54.30	(47.41)
Unallocated non cash expenses						78.29
Total						**30.88**

SECONDARY SEGMENT

(Rs. in Lacs)

	India	Outside India	Total
	2016	2016	2016
a. Revenue from external customers	121,186.83	-	**121,186.83**
b. Carrying amount of segment assets by location of assets	197,648.30	171.47	**197,819.77**
c. Cost to acquirer tangible and intangible fixed assets by location of assets	27,389.38	0.33	**27,389.71**

34 Related parties disclosures

Names of other related parties with whom transactions have taken place during the year		
Joint Venture	1	Max Healthcare Institute Limited
	2	Alps Hospial Limited
Key Management Personnel (KMP)	1	Mr. Mohit Talwar (Managing Director) - Effective January 15, 2016
	2	Mr. Jatin Khanna (Chief Financial Officer) - Effective January 15, 2016
	3	Mr. V Krishnan (Company Secretary) Effective January 15, 2016
Enterprises owned or significantly influenced by key management personnel or their relatives	1	Max Life Insurance Company Limited
	2	Max Financial Services Limited
	3	Max Venture and Industries Limited
	4	New Delhi House Services Limited
	5	Malsi Estates Limited
	6	Max Ventures Private Limited
	7	Siva Realty Ventures Private Limited
	8	Piveta Estates Private Limited
	9	Vana Retreats Private Limited
	10	Veeras Kitchen Private Limited
	11	Max Speciality Films Limited
Employee benefit funds	1	Max India Ltd. Employees' Provident Fund Trust

Transactions with related parties during the year:

(Rs. in Lacs)

	Joint Ventures	Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel)	Enterprises owned or significantly influenced by key management personnel or their relatives	Employee benefit funds	Total
	2016	2016	2016	2016	2016
Income from shares services					
Max Healthcare Institute Limited	74.67	-	-	-	74.67
Max Financial Services Limited	-	-	897.00	-	897.00
Max Life Insurance Company Limited	-	-	313.00	-	313.00
Max Venture and Industries Limited	-	-	56.00	-	56.00
Reimbursement of expenses (Received from)					
Max Financial Services Limited	-	-	716.21	-	716.21
Max Life Insurance Company Limited	-	-	3,066.61	-	3,066.61
Malsi Estates Limited			6.12		6.12
Max Ventures Private Limited			2.16		2.16
Siva Realty Ventures Private Limited			0.54		0.54
Piveta Estates Private Limited			2.65		2.65
Vana Retreats Private Limited			28.10		28.10
Max Speciality Films Limited			1.56		1.56
New Delhi House Services Limited	-	-	15.40	-	15.40
Reimbursement of expenses (Paid to)					
Max Financial Services Limited	-	-	6.23	-	6.23
Max Life Insurance Company Limited			154.46		154.46
New Delhi House Services Limited	-	-	54.30	-	54.30
Management service charges			-		-
Max Financial Services Limited	-	-	744.72	-	744.72
Repair & Maintenance					
New Delhi House Services Limited	-	-	92.31	-	92.31
Insurance paid					
Max Life Insurance Company Limited	-	-	7.12	-	7.12
Managerial Remuneration					
Mohit Talwar	-	49.41	-	-	49.41
Jatin Khanna	-	15.49	-	-	15.49
V Krishnan	-	31.22	-	-	31.22
Company's contribution to Max India Ltd Provident Fund Trust	-	-	-	346.96	346.96
Dividend income					
Max Speciality Films Limited	-	-	3.38	-	3.38
Purchase of assets			-		-
Max Life Insurance Company Limited	-	-	22.50	-	22.50
Balance outstanding as at the year end					
Other receivable					
Max Life Insurance Company Limited	-	-	298.02	-	298.02
Max Financial Services Limited	-	-	189.72	-	189.72
Malsi Estates Limited			4.37		4.37
Vana Retreats Private Limited			10.89		10.89
Max Venture and Industries Limited	-	-	58.52	-	58.52
Amount Payable					
Veeras Kitchen Private Limited	-	-	(1.91)	-	(1.91)
New Delhi House Services Limited	(0.69)	-	(6.51)	-	(7.20)

35 Capital and Other Commitments

a. Capital Commitments

(Rs. in Lacs)

	As at March 31, 2016
Estimated amount of contracts remaining to be executed on capital account and not provided for	21,471.98
Less: Capital advances (note 15)	9,598.32
Net capital commitment for acquisition of capital assets	**11,873.66**

35.1 Commitment with respect to leases refer note 30

36 Contingent Liabilities not provided for

(Rs. in Lacs)

S. No.	Particulars	As at March 31, 2016
i	Share of guarantee given by the jointly controlled entity (Max Healthcare Institute Limited) (Refer note (a))	10,935.26
ii.	Claims against the Company not acknowledged as debts (Refer note (b))	
	- Service tax demands	655.91
	- Sales tax	142.54
	- Legal cases and claims	3,389.72
iii.	Obligation arising from import of capital equipment at concessional rate of duty during the year under Export Promotion Capital Goods Scheme	701.57
iv.	Income Tax cases	(note (c) and (d))

Note:

a. Guarantees given by the group on behalf of others is not considered as prejudicial to the interest of the group as it provides opportunity for growth and increase in operations of the group.

b. Claims against the Group 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 Group has good chance of success in these cases. In addition to this, as a measure of good corporate governance the company has taken Professional Indemnity Insurance Policy for claims pending against the Group to secure the Group from any financial implication in case of claims settled against the Group.

c) Max Bupa Health Insurance Company Limited (Max Bupa)

For assessment year 2010-11 and 2011-12 under section 143(3) of the Income Tax Act, 1961, expenses amounting to Rs. 6,137.28 Lacs have been disallowed by the Assessing Officer and the losses allowed to be carried forward by the Assessing Officer for the purpose of income tax assessment are lower to that extent. Accordingly, this may have effect on the taxability of future income of the company, depending on the outcome of the appeal. As on date, the matter is pending with CIT (Appeals). The management is confident that the outcome of these appeals would be in favor of Max Bupa.

d Max Healthcare Institute Limited

Income Tax Cases

(Rs. in Lacs)

Assessment year	Pending before ITAT		Disallowances pending before CIT (A)	Disallowances pending - as at March 31, 2016	Demand (If any) As at March, 31, 2016
	Disallowances deleted by CIT(A) for which department has filed an appeal before ITAT	Disallowances confirmed by CIT(A) for which company has filed an appeal before ITAT			
2003-04	941	213	-	1,154	-
2004-05	641	-	-	641	-
2005-06	598	-	-	598	-
2006-07	462	-	-	462	-
2007-08	907	-	-	907	-
2008-09	239	-	-	239	-
2009-10	201	-	-	201	-
2010-11	410	-	-	410	-
2011-12	547	-	450	997	-
2012-13	-	-	1,646	1,646	-
2013-14	-	-	982	982	-
2010-11*	-	-	-	-	9
2012-13	-	-	-	-	-
	4,946	213	3,078	8,237	9

37 Actuarial Assumptions

Health Insurance Business

Max Bupa's appointed Actuary has determined valuation assumptions in respect of 'Reserve for Unexpired Risk' and 'Claims Incurred But Not Reported' (IBNR) that conform with Regulations issued by the IRDAI and professional guidance notes issued by the Institute of Actuaries of India.

(i) During the year ended March 31, 2016, the Company has changed its estimates related to Deferred Benefit Reserve provisioning which forms part of IBNR reserves. Consequent to the change in such estimate, IBNR reserve for the year ended March 31, 2016 is lower by Rs. 880 Lacs.

(ii) As at March 31, 2016, the Company has made a provision of Rs. 1375 Lacs towards provider reconciliation reserve based on actuarial estimates and the same is included as a part of IBNR reserves.

(iii) As at March 31, 2016, the Company has made a provision of Rs. 540 lacs towards litigation reserve based on actuarial estimates and the same is included as a part of IBNR reserves.

38 Scheme of Arrangement (Demerger) between Max Financial Services Limited (MFS), the Company and Max Venture and Industries Limited (MVIL)

The Board of Directors of Max Financial Services Limited ('MFS', erstwhile Max India Limited) in their meeting held on January 27, 2015 had approved the Corporate Restructuring plan to vertically split MFS through a Composite scheme of arrangement ('Scheme'), into three separate listed companies.

a) The Hon'ble High Court of Punjab and Haryana vide its order dated December 14, 2015, sanctioned the Scheme under Sections 391 to 394 read with Sections 100 to 104 of the Companies Act, 1956 between Max Financial Services Limited ('MFS' - erstwhile Max India Limited), Max India Limited ("the Company" - erstwhile Taurus Ventures Limited) and Max Ventures and Industries Limited ('MVIL'- erstwhile Capricorn Ventures Limited). The Scheme is effective from January 15, 2016 i.e. the date of filing of the certified copy of the order of the Hon'ble High Court of Punjab and Haryana with the Registrar of Companies, Chandigarh and Shimla. Pursuant to the Scheme, all the assets and liabilities pertaining to the Demerged Undertaking (as defined in the Scheme) have been transferred to and vested in the Company with retrospective effect from the appointed date i.e. April 1, 2015 at their respective book values appearing in the books of demerged company i.e., MFS. Accordingly, the Scheme has been given effect to in the financial statements.

b) The consideration for the demerger to the equity shareholders of the demerged company i.e., MFS is discharged by the Company i.e., Max India Limited wholly by issue of equity shares of the Company. Pursuant to the Scheme coming into effect, every shareholder holding fully paid up equity shares of Rs. 2/- each in MFS as on the Record Date i.e., January 28, 2016 will be allotted one equity share of Rs.2/- each in the Company for every one equity share of Rs.2/- each held in MFS as on the Record Date. As a result of this and pursuant to he provisions of the Scheme, the existing share capital of Rs.5 lacs of the Company shall stand cancelled. Further, with respect to employee's stock options granted by the demerged company i.e. MFS to its employees (irrespective of whether they continue to be employees of MFS or become employees of the Company or not) shall be allotted one stock option by the Company under the new ESOP scheme for every stock option held in MFS. Accordingly, ESOP outstanding as on the Effective Date in MFS shall be allocated between the demerged company and resulting companies. The surplus of net assets acquired by the Company over the aggregate face value of share capital to be issued shall be credited to capital reserve. The value of net assets acquired effective from April 1, 2015 and the calculation of differential consideration and value of net identifiable assets acquired is set out below:

(Rs. in Lacs)

Particulars	As at March 31, 2016
Assets acquired	
- Fixed assets (net of accumulated depreciation)	57,452.60
- Goodwill on consolidation	14,166.59
- Investments (Non-current and current)	88,522.86
- Loans and advances (Non-current and current)	24,060.46
- Trade receivables (Non-current and current)	11,765.14
- Inventories	863.04
- Cash and bank balance	8,428.23
- Other assets (Non-current and current)	3,200.88
Sub-total (A)	**208,459.80**
Liabilities assumed	
- Borrowings (long term and short term)	25,725.24
- Other long term liabilities	8,394.95
- Trade payables and other current liabilities	23,958.98
- Provisions (Non-current and current)	22,467.81
- Minority Interest	4,634.59
Sub-total (B)	**85,181.57**
Net assets acquired (A-B)	**123,278.23**
Share capital to be issued	**5,339.68**
ESOP to be issued	**198.38**
Foreign currency transalation reserve	**38.74**
Capital Reserve	**117,701.43**

c) The reconciliation of share capital to be issued pursuant to the scheme is given below and disclosed as 'Shares capital pending allotment' in the financial statements:

(Rs. in Lacs)

Particulars	As at March 31, 2016
Shares capital to be issued (refer point b above)	5,339.68
Less: Existing share capital pending cancellation	(5.00)
Share capital pending allotment	**5,334.68**

d) Subsequent to the year end, the Company has received the Foreign Investment Promotion Board (FIPB) approval to issue and allot shares to MFS's shareholders as on the record date i.e. January 28, 2016, vide its letter dated May 06, 2016. The Company has issued and allotted 26,69,83,999 equity shares of Rs. 2/- each on May 14, 2016 and the existing equity capital of the Company of Rs. 5.00 lacs which was fully held by MFS, has been cancelled pursuant to the provisions of the Scheme and the Company ceases to be a subsidiary of MFS effective May 14, 2016.

e) This Scheme is a non-cash transaction and hence, has no impact on the cash flow of the Company for the current period.

39 Derivative Instruments and Unhedged Foreign Currency Exposure

Particulars	As at March 31, 2016		
	Foreign Currency (Rs. in Lacs)	Exchange Rate (Rupee)	India Rupee (Rs. in Lacs)
Import capital creditors (EUR)	0.17	76.59	13.02
Import capital creditors (USD)	4.34	67.61	293.43
Import capital creditors (YEN)	0.66	0.60	0.40
Trade payables (GBP)	0.34	95.09	32.65

40 During the year, MHIL has made two major acquisitions:-

Max Super Speciality Hospital, Vaishali

During the year, MHIL, in terms of the Share Subscription and Purchase Agreement dated May 28th, 2015 as amended by Amendment Agreement dated July 10th 2015 (collectively referred as "Transaction Documents"), acquired, by way of primary and secondary purchase, in various tranches, 111,625,297 equity shares of Crosslay Remedies Limited @ Rs.22.10 per equity share which contributes to 77.95% of the equity share capital on a fully diluted basis. Crosslay Remedies Limited owns and operates Max Super Speciality Hospital, Vaishali (erstwhile Pushpanjali Crosslay Hospital), a 260-bedded hospital (expandable up to 460 beds).

After expiry of 4 years from the Completion date i.e. July 10th, 2015, MHIL shall have a call option right to acquire all remaining shares held by the existing shareholders (except for 530,000 equity shares) at fair market value subject to a floor price of Rs. 35.10 per equity share, in accordance with the terms of the Transaction Documents. In accordance with the terms of the Transaction Documents, the existing shareholders, after expiry of 4 years from the Completion date i.e. July 10th, 2015, the have a put option right to sell all remaining shares held by the existing shareholders to the MHIL (except for 530,000 equity shares) at fair market value subject to a floor price of Rs. 35.10 per equity share.

Max Smart Super Speciality Hospital "MSSH"

During the year under review, MHIL has, in terms of the Share Purchase Agreement dated November 27th, 2015 (referred as "Transaction Document"), acquired by way of secondary purchase 14,864,817 equity shares (51% of the paid up capital) of Saket City Hospital Private Limited ("SCHPL") @ Rs.218.64 per equity share. SCHPL provides medical services to erstwhile Saket City Hospital (rechristened as Max Smart Super Speciality Hospital "MSSH"), a unit of Gujar Mal Modi Hospital and Research Centre ("Society"), through a non-cancellable and exclusive arrangement. MSSSH has 215+85 (under construction) beds currently and is expandable to ~ 1200 beds approximately.

MHIL also has a call option right to acquire all remaining shares held by the existing shareholders in accordance with the terms of the Transaction Document. Further, after the (i) expiry of 3 (three) years from the Completion Date i.e. November 27th, 2015 or (ii) receipt by the Society of all the approvals required from Governmental Authority(ies) as may be required for commencement of the construction of 900 additional beds, whichever is later, the existing shareholders shall have a put option right to sell all remaining shares held by the existing shareholders to the Company in accordance with the terms of the Transaction Document.

41 Pursuant to the scheme of demerger investments in Max Neeman Medical International Limited having carrying value of Rs. 942.90 lacs (net of provision for impairment) were got transferred in the name of the Company which has been sold to JSS Medical Research for a consideration of Rs. 942.90 lacs, resulting in a gain of Rs. 361.38 lacs in consolidated financial statements.

42 Subsequent to the year end, on April 29, 2016, Max India Limited executed an agreement with Bupa Singapore Pte. Limited (Bupa Singapore) to divest its 23% stake in Max Bupa Health Insurance Limited to Bupa Singapore at par value, for a consideration of Rs. 20,654.00 lacs.

43 Max India Limited (formerly known as Taurus Ventures Limited) was incorporated on January 1, 2015. The financials of the Company has been prepared for first time for 15 months i.e. January 01, 2015 to March 31, 2016. In respect of subsidiary companies / joint ventures financials has been consolidated for 12 months i.e. April 1, 2015 to March 31, 2016. Accordingly, there are no comparitive preivous period figures.

As per our report of even date

For S.R.Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Manoj Gupta
Partner
Membership Number: 83906

Place : Gurgaon
Date : May 25, 2016

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

Mohit Talwar
(Managing Director)
(DIN 02394694)

N. C. Singhal
(Director)
(DIN 00004916)

Jatin Khanna
(Chief Financial Officer)

V. Krishnan
(Company Secretary)

Place : New Delhi
Date : May 25, 2016

MAX INDIA LIMITED

MAX HEALTHCARE

MAX Bupa HEALTH INSURANCE

ANTARA SENIOR LIVING