



GROWTH THROUGH FOCUS & EXECUTION

ANNUAL REPORT 2017-18





Annual Report **2018**

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CORPORATE REVIEW

OUR ENTERPRISE
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OUR ENTERPRISE



Max India Limited, a multi-business corporate, owns and actively manages a 49.7% stake in Max Healthcare, a 51% stake in Max Bupa Health Insurance and a 100% stake in Antara Senior Living.



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 has revenues of ₹ 2,787 Cr. from over 2,500 beds across 14 hospitals.



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 revenues of ₹ 755 Cr., about 16,000 agents and tie-ups with over 3,600 quality hospitals across over 350 cities in India.



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 was launched in April 2017 near Dehradun, Uttarakhand.



Max Financial Services is the parent company of Max Life Insurance, India's largest non-bank, private life insurance company. MFS actively manages a majority stake in Max Life, making it India's first listed company focused exclusively on life insurance.



Launched in 2000, Max Life is a joint venture with Mitsui Sumitomo Insurance, Japan. It is India's largest non-bank private life insurer, with revenues of ₹ 14,967 Cr. and a customer base of 4.1 million more than 200 offices across India.



Max Ventures & Industries Limited (MaxVIL) operates primarily in the areas of manufacturing and real estate, 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.



Launched in 1988, Max Speciality Films is a strategic partnership with Japan's Toppan Printing Co. Ltd. in which the Company holds 51%. It is a leading manufacturer of speciality packaging films and is at the forefront of both BOPP and Lamination technology in India.



Established in 2016, Max Estates Limited is the real estate arm of the Max Group. With a team comprising engineers, architects, planners and specialists, and collaborations with global leaders in design, master planning, landscape and sustainability, Max Estates is committed to delivering a truly unique quality of excellence and lifestyle to all our customers.



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



Launched in 2008, Max India Foundation (MIF) represents the Max Group's social responsibility efforts. The Foundation's work is focussed on healthcare for the underprivileged and has benefitted more than 32 lakh people in over 600 locations since its inception.



MEASURES OF SUCCESS

MAX HEALTHCARE
NETWORK GROSS
REVENUES:
₹ 2,787 CR.,
GREW **9%**

MAX BUPA
GROSS WRITTEN
PREMIUM:
₹ 755 CR.,
GREW **27%**

STRONG
GROWTH IN MAX
HEALTHCARE'S
**NEW BUSINESS
LINES** – MAX@
HOME, MAX LABS
AND ONCOLOGY
DAY CARE

MAX HEALTHCARE
BECAME FIRST
HEALTHCARE
ORGANISATION TO WIN
AN ASQ AWARD IN 10
YEARS

MAX BUPA PROFIT
BEFORE TAX:
₹ 23 CR.

ANTARA
SENIOR LIVING
TO LAUNCH
**SECOND
COMMUNITY
IN NOIDA**

BENEFITTED
OVER **32 LAKH**
LIVES ACROSS
INDIA THROUGH
MAX INDIA
FOUNDATION

INVESTOR BASE
COMPRISING MARQUEE
GLOBAL FINANCIAL
INSTITUTIONS SUCH AS
**RELIANCE, IFC, HDFC
LIFE AND L&T**

All figures as at 31st March 2018

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. Bajjal
Mentor

Dr. Bajjal served ICI (India) Limited for over 35 years and was the Chairman of ICI companies in India from 1983 to 1987. He then played an active role on the erstwhile Max India Board from 1988 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, Max Group

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

Amongst private family owned businesses, Mr. Analjit Singh is the founder of Leeu Collection, a group of leisure boutique hotels in Franschhoek, South Africa; The Lake District, UK ; and soon to come in Florence, Italy. The Leeu Collection also includes a significant presence in wine and viticulture through Mullineux Leeu Family Wines; an active F&B portfolio of restaurants and partnerships with Ritu Dalmia, La Colombe in the Cape SA and the Alajmo Group in Italy. Art and Landscaping are also major pillars with a strong relationship with Everard Read, SA.

A self-made entrepreneur Mr. Analjit Singh was awarded Padma Bhushan, India's third highest civilian honour, by the President of India in 2011.

An alumnus of The Doon School and Shri Ram College of Commerce, University of Delhi, Mr. Analjit Singh holds an MBA from Graduate School of Management, Boston University. He has been conferred with a honorary doctorate by Amity University.

Professionally, he is the non-executive Chairman of Max Ventures and Industries, Max Financial Services and Vodafone India and a Director on the board of Sofina NV/SA, Belgium.

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

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

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

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

He also serves as the Honorary Consul General of the Republic of San Marino in India from October 2007 till August 2018.



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 35 years of working in India and globally. He is currently President of the Max Group, and also serves as Executive President, Max Financial Services; Chairman, Max India; Chairman, Max Life Insurance; and Chairman, Max Healthcare. He also serves on the Boards of Antara Senior Living and Max Bupa Health Insurance Company.

Under his leadership, the Max Group has delivered superior financial performance, significantly grown market capitalization, and concluded seminal corporate transactions. He also led the mega-restructuring of the erstwhile Max India into three new listed entities. Before joining Max, Mr. Khosla spent more than a decade 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 that – as Country Head for ANZ Grindlays' consumer banking businesses in India; Head of Retail Assets, Strategy, Finance and Legal at Bank of America; CFO for the American Express TRS businesses for India and South Asia, and as a Business Leader to help set up a pioneering in-house global processing facility for American Express.

Mr. Khosla served as President, NatHealth, India's leading multi-stakeholder platform for healthcare organisations in 2016 and as the Chair of the FICCI Committee on Health Services in 2017. In addition, he serves on the Executive Board of the Indian School of Business (ISB), one of Asia's top B-Schools.

He is a Fellow member of the Institute of Chartered Accountants of India, an Economics graduate from St. Stephens College, Delhi and completed his schooling at St. Xavier's in Delhi.



Mr. Mohit Talwar

Managing Director

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

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

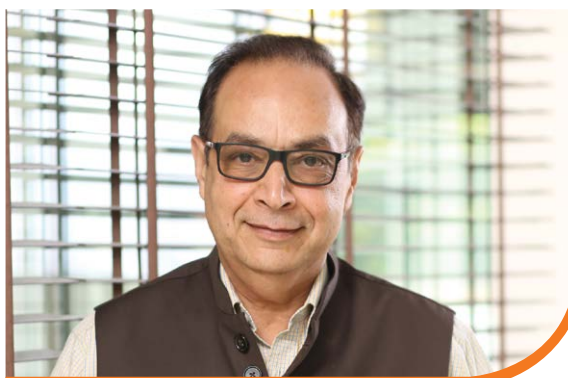
In his earlier role as the Deputy Managing Director of the erstwhile consolidated Max India Limited, he successfully leveraged his strong relationships with institutional investors, hedge funds, banks and private equity firms, and led several complex corporate finance and financial structuring deals to ensure adequate investment and liquidity for the Group's operations. He has played a central role in executing key transactions including the setting up of Max Bupa Health Insurance, bringing on board MS&AD Insurance Group Holdings as the new JV partner for Max Life and Life Healthcare's entry as JV partner in Max Healthcare, and later the equalization of its stake in the business, and completing the mega-structuring of the erstwhile Max India into three new listed companies, which received a significantly positive reaction from capital markets. In his new role, Mr. Talwar was instrumental in executing a stake repurchase transaction with IDFC Limited, and more recently a transaction with IFC to repurchase its stake in Max Healthcare. He has also overseen key transactions in MaxVIL, including the induction of Toppan Group as a JV partner in Max Speciality Films, and a 22.5% stake sale to New York Life's subsidiary.



Mr. Ashok Kacker

Independent Director

Mr. Kacker, M. Sc. (Physics), University of Allahabad (Topper of the 1972 batch), has more than 3 decades of experience in the Government as an Indian Revenue Service (IRS) Officer. He has served as Chief Commissioner of Income Tax and held senior positions both in executive capacities and policy formulation roles. He has also served as 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 has continued as a Board member of the Company ever since. He has been the Chairman, MGRM (Asia-Pac) and Vice Chairman, and the MD of Reliance Telecom. He serves on leading advisory and statutory Boards, including acting as Chairman SA&JVs, MGRM Inc., USA, and member 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.

**Mr. D.K. Mittal**

Independent Director

Mr. D. K. Mittal is a former Indian Administrative Service (IAS) officer from the batch of 1977 and has served the Government of India in various capacities, including Secretary, Department of Financial Services, Secretary, Ministry of Corporate Affairs and Additional Secretary, Department of Commerce. Mr. Mittal has hands on experience in Infrastructure, International Trade, Urban Development, Renewable Energy, Agriculture Development and Micro-Credit, Corporate Governance, Banking, Insurance, Pension and Finance. He holds a Master's degree in physics with specialisation in Electronics from the University of Allahabad, India.

**Mrs. Tara Singh Vachani**

Non-Executive Director

MD & CEO of Antara, Mrs. Tara Singh Vachani holds a thorough understanding of Senior Living. She is driven by the passion to create an enriching and fulfilling lifestyle for seniors that is unique to India. Her knowledge is backed by over 3 years of extensive research of senior living communities.

Before creating Antara, Tara worked with the Corporate Development team at Max India Ltd. She has also been actively engaged in philanthropy through her involvement with Max India Foundation, the CSR arm of the Group.

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

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

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

Max Healthcare

Mr. Rahul Khosla	Chairman
Dr. Pradeep Kumar Chowbey	Executive Vice Chairman
Mr. Rajit Mehta	Managing Director and CEO
Mr. Adam Mills Pyle	Non-Executive Director
Dr. Ajit Singh	Non-Executive Director
Mr. K. Narasimha Murthy	Independent Director
Mr. Mohit Talwar	Non-Executive Director
Dr. Omkar Goswami	Independent Director
Mr. Petrus Phillippus Van Der Westhuizen	Non-Executive Director
Ms. Roshini Bakshi	Independent Director
Dr. Shrey Balaguru Viranna	Non-Executive Director
Mrs. Tara Singh Vachani	Non-Executive Director

Max Bupa

Mr. Rajesh Sud	Chairman
Mr. Rahul Khosla	Co-Vice Chairman
Mr. David Martin Fletcher	Co-Vice Chairman
Mr. Ashish Mehrotra	Managing Director and Chief Executive Director
Mr. Burjor P. Banaji	Independent Director
Mr. Dinesh Kumar Mittal	Independent Director
Mr. John Howard Lorimer	Non-Executive Director
Ms. Joy Carolyn Linton	Non-Executive Director
Mr. K. Narasimha Murthy	Independent Director
Ms. Marielle Theron	Non-Executive Director
Mr. Mohit Talwar	Non-Executive Director
Mr. Pradeep Pant	Independent Director



Antara Senior Living

Mr. Analjit Singh	Chairman
Mrs. Tara Singh Vachani	Managing Director and CEO
Mr. Ashwani Windlass	Director
Mr. Mohit Talwar	Director
Mr. Pradeep Pant	Independent Director
Mr. Rahul Khosla	Director
Mr. Rohit Kapoor	Director
Mrs. Sharmila Mansur Ali Tagore	Independent Director
Dr. Shubnum Singh	Director

Max SkillFirst

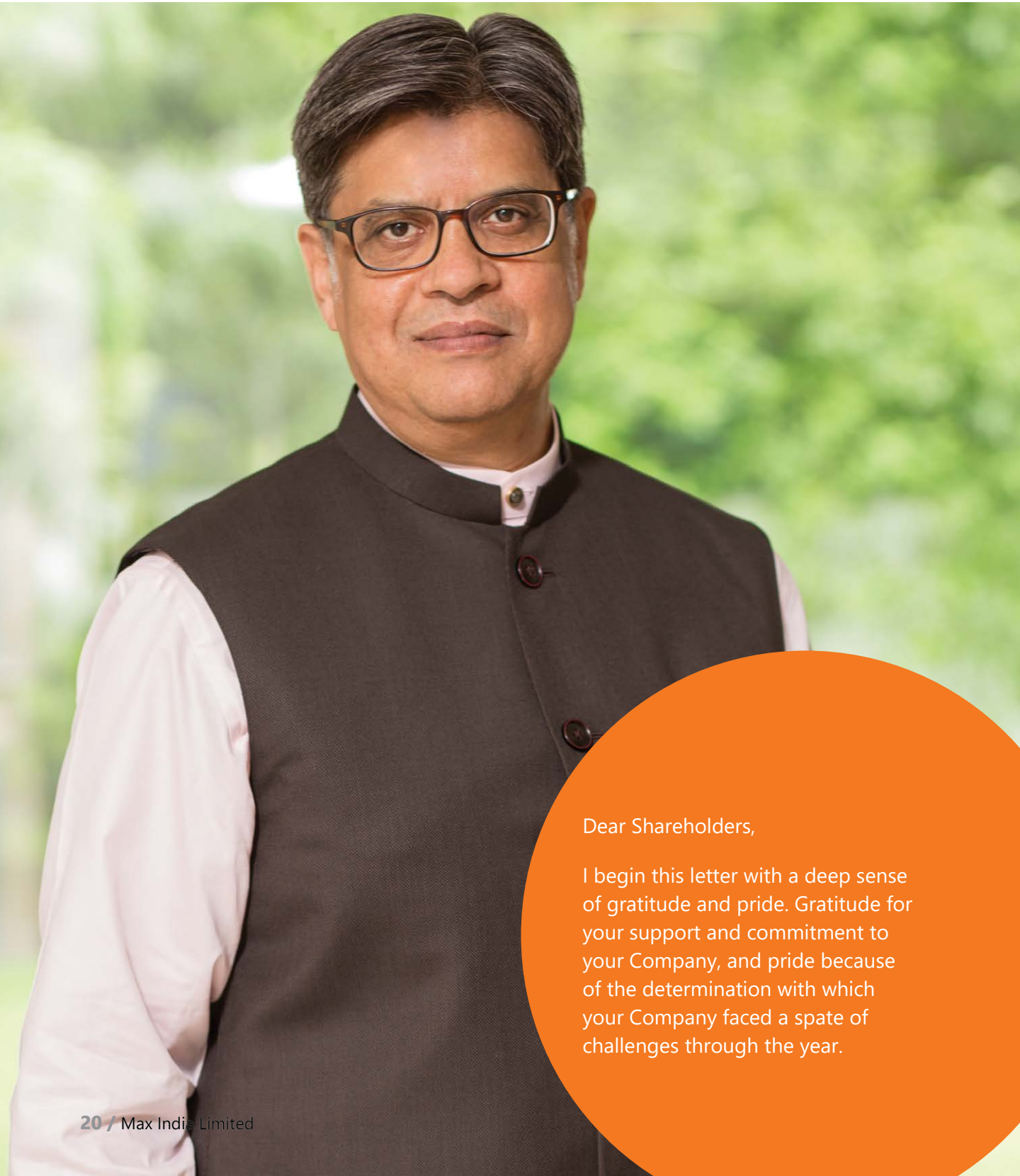
Mr. Rajesh Sud	Chairman
Ms. Marielle Theron	Director
Mr. Rajit Mehta	Director



STRATEGIC REVIEW

CHAIRMAN'S LETTER
MANAGING
DIRECTOR'S LETTER
BUSINESS REVIEW

CHAIRMAN'S LETTER



Dear Shareholders,

I begin this letter with a deep sense of gratitude and pride. Gratitude for your support and commitment to your Company, and pride because of the determination with which your Company faced a spate of challenges through the year.

Max Healthcare was created with an aspiration to build India's leading provider of comprehensive, seamless and integrated world class healthcare services. Over the years, with a consistently high level of service excellence across 14 world class facilities and more than 2300 leading doctors with international level expertise providing highest standards of medical excellence at a fraction of international costs, MHC is now a provider of choice for millions of patients across India and abroad.

Max Healthcare continues to set new benchmarks in clinical quality and service excellence, with an array of awards and accolades to acknowledge its efforts. Some of these awards included:

- Bronze Award at the World Conference for Quality and Improvement 2018, organised by the American Society for Quality (ASQ) – the first healthcare organisation to win an award at this prestigious forum in the last decade
- Winners in Association of Healthcare Providers of India (AHPI) Awards – Quality Beyond Accreditation for Blood Bank and Infection Control (Max Vaishali)
- Quality Council of India (QCI) DL Shah Platinum Quality Award for reduction in Ventilator Associated Pneumonia in ICUs (Max Smart)
- Times Healthcare Achievers Award – Legend of the Year – Cardiac Surgery (Max Smart)
- International accolade for Venous Thromboembolism (VTE) Risk Assessment at IHF Taipei 41st world Hospital Congress

Being providers of high quality but complex medical procedures, our key touch points with our customers are most likely to be in moments of deep vulnerability, strong emotions and anguish. This situation gets exacerbated with misinformed, poorly researched opinions, lack of authentic data and inflammatory reportage from media organisations.

Max Healthcare won the Bronze Award at the World Conference for Quality and Improvement 2018, organised by the American Society for Quality (ASQ) – the first healthcare organisation to win an award at this prestigious forum in the last decade

There is an urgent need to shift the focus from baseless criticism of private hospitals on aspects such as overcharging and medical negligence to more critical issues such as the key role of private providers in the delivery of healthcare in India, the dismal state of public infrastructure, the lack of public investment in improving capacity and service delivery, and regulatory interventions that create barriers to proper growth and development of the healthcare sector.

Contribution of Private Healthcare

The Indian healthcare industry is expected to reach around US\$ 400 billion in sales by FY 2025 and significantly contribute to the development of the Indian economy as well as be amongst the top employers in the country. The private sector has and will continue to play a primary role in delivering this growth.

We should acknowledge that the private healthcare sector and its doctors have been consistently recognised for providing world-class medical services, adapting latest advancements and technology at extremely low costs compared to many developed or developing nations. For instance, a knee replacement surgery would cost \$40,000 in the US, \$10,000 in Thailand and \$13,000 in Singapore, while the same surgery would cost \$8500 in India. A heart valve replacement surgery would cost \$200,000 in the US and \$90,000 in Britain while the same procedure in India would cost only \$8,000. This cost arbitrage, along with high quality expertise has made India a major medical value travel destination in recent years.

For successful and smooth evolution of the healthcare landscape in India, we need enabling regulations to help multiple business models thrive – single specialities, primary centres, quaternary hospitals, home care, tele-medicine, aggregators and many other formats that we may not even know of today.

70% of bed additions in Urban India from 2004-14 have been contributed by the private sector. Moreover, contrary to the common perception, the private sector has contributed significantly in delivery of healthcare services in rural India as well – 55-60% of hospitalized cases in rural India are treated by the private sector

Private providers are also expected to be the predominant contributors to the \$40-45 billion investment required to reach 1.8-2.0 bed /1000 patients by 2025. While there is a broad-based realization that private providers and the Government need to collaborate effectively to tap into the full potential of the sector and move towards achieving affordable and quality healthcare for all, the progress in this direction has been gradual.

The National Health Protection Scheme (NHPS), popularly known as Ayushman Bharat is a big step forward and holds the potential to be a game changer for Indian healthcare. NHPS can transform the Indian healthcare sector, provided the Government and private sector collaborates constructively to leverage respective expertise in addressing execution challenges, develop a common understanding of healthcare economics, create innovative PPP models and decrease cost of doing business to economically serve a wider population base.

Allow me to touch upon a few imperatives to make this initiative a real success. We have been in constant dialogue with the various government agencies,

including the Ministry of Health and Family Welfare and NITI Aayog, sharing some key inputs on this matter.

1. Expedite actions to address mismatch of demand and supply
2. Address talent shortage through creative solutions
3. Implement a strong gate keeping and referral system to ensure patient safety and cost control
4. Develop a robust IT infrastructure for efficient administration
5. Adopt a fact based approach to fix rates for strategic purchase of healthcare services from the private sector
6. Adequate financing for claims settlement under Government schemes
7. Set-up a quality regulator

The Road Ahead

The Indian healthcare sector is going through very exciting times. The Ayushman Bharat Initiative will give a significant fillip to the demand for quality healthcare services and, with shortage in supply, the growth prospects for private providers will only get stronger. At the same time, business models will need to evolve and adapt to new realities.

For successful and smooth evolution of the healthcare landscape in India, we need enabling regulations to help multiple business models thrive – single specialities, primary centres, quaternary hospitals, home care, tele-medicine, aggregators and many other formats that we may not even know of today.

Healthcare is a long gestation investment and will need a lot of capital to create scale and reach. Adverse economic actions such as price capping, in the absence of a holistic understanding of cost incurred in delivering high quality healthcare services will surely risk the national goal of universal healthcare as this will dissuade conscientious players from investing in the healthcare business. This will lead to unorganised



capital and “less conscientious” players flourishing, thus rendering serious risk to patient safety, quality of care and ultimately the cost of care and morbidity

Healthcare is a national imperative. As India navigates through its journey of achieving economic development, it must invest in an efficient and universal healthcare system to drive progress. I remain hopeful that the public and private sector will work more seamlessly to deliver this national goal.

Let me also briefly touch upon our other key businesses.

Max Bupa Health Insurance continues to deliver on consumer experience, which is reflected in the fact that nearly 80% customers express the highest levels of satisfaction with their claims experience with Max Bupa. This is significantly higher than the global insurance industry benchmark of 75% and reflects the care taken by the company in honouring its promise to customers in their “moment of truth”. In a large, fast growing market, Max Bupa has created a vast distribution network, serves 2.8 million customers and has established itself as a leading brand. The business is on a strong top line growth trajectory, with Business to Customer (B2C) segments’ gross written premium growing 26% in FY2018. With bancassurance tie-ups with banks such as Bank of Baroda, HDFC Bank and South Indian Bank, the company has registered a healthy 37% growth in bancassurance sales over the past two years.

The business has also made significant strides in developing its Digital channel which has been a focus area for the past 2-3 years. During this period the channel has grown 22%. In addition, the spirit of innovation is alive in the Company, reflected via the launch of Go Active that offers a unique proposition by taking a comprehensive view of the customer’s health and fitness and creating the right partnerships that benefit the customer across the health and fitness spectrum.

Going forward, Max Bupa will continue to grow the business exponentially, including bancassurance, an improved agency model and digital sales, while

keeping relentless focus on execution and structural cost efficiencies.

I am proud to say that Antara Senior Living commissioned its first senior living community in April last year and is currently catering to the daily requirements of the residents who have relocated to that community. Antara is a unique and category-defining concept with a singular vision of delivering a world-class, fully serviced residential community for those who believe that age is just a number. With its second offering expected to be launched in FY2019, 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.

Our youngest business – Max SkillFirst has grown significantly in a very short period of time. In FY2018, Max SkillFirst launched its first direct to consumer training facility - Centre for Allied Healthcare Programs at Vaishali, Ghaziabad. The Centre will offer Diploma Courses in four disciplines of Allied Healthcare to equip students with necessary skills, knowledge and competencies to enable them to perform a wide range of medical care procedures and tap into successful livelihood options. In addition, the business continues to cater to the training requirements of Max Group’s other businesses including Max Life, Max Healthcare and Max Bupa.

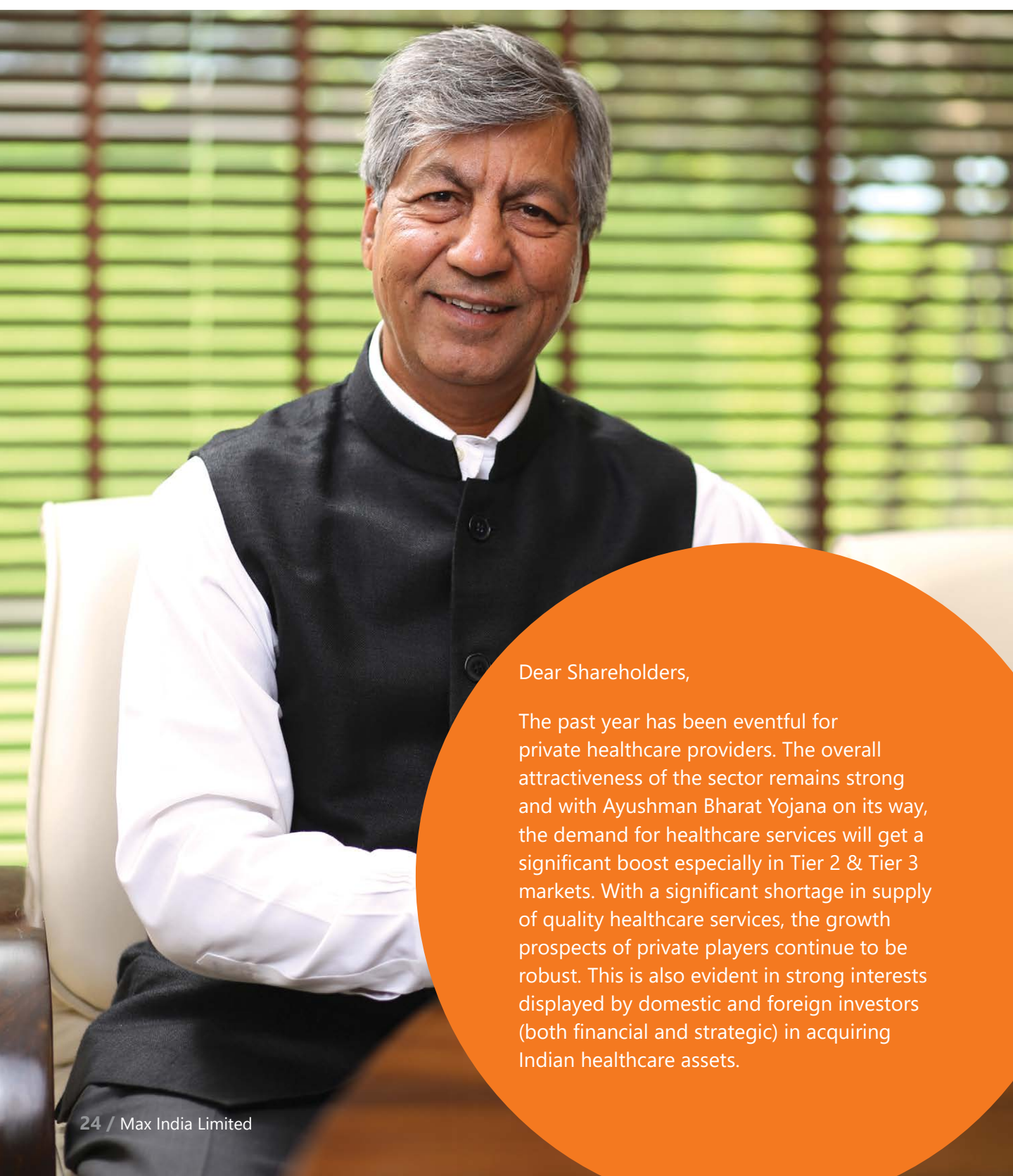
All our businesses are deeply committed to delivering long-term growth with a sound combination of strong financial performance, caring and service excellence. I am optimistic that Max India and its vibrant businesses will continue to thrive despite all challenges in the coming years. I hope you will accompany us through this journey to growth.

With Best Wishes,

Rahul Khosla

Chairman, Max India Limited

MANAGING DIRECTOR'S LETTER



Dear Shareholders,

The past year has been eventful for private healthcare providers. The overall attractiveness of the sector remains strong and with Ayushman Bharat Yojana on its way, the demand for healthcare services will get a significant boost especially in Tier 2 & Tier 3 markets. With a significant shortage in supply of quality healthcare services, the growth prospects of private players continue to be robust. This is also evident in strong interests displayed by domestic and foreign investors (both financial and strategic) in acquiring Indian healthcare assets.

On the flip side, the past year witnessed unprecedented levels of regulatory intervention both at the centre and the state level, which has put pressure on the economics of private healthcare providers.

The changing business paradigm will require private players to be agile in not only responding but also proactively adapting and innovating business models and formats to emerge as winners. For us at Max India, FY2018 has been a year of reset caused by various regulatory interventions and other headwinds. We have launched initiatives to re-gain desired profitability signature over next 18-24 months. Before I discuss in detail the strategic priorities of Max Healthcare and our other key businesses – Max Bupa Health Insurance and Antara Senior Living, allow me to share an overview of our financial performance during the past year.

Business Performance:

Max Healthcare (MHC)

During the year, the Max Healthcare Network of Hospitals reported Gross Revenues of ₹ 2,787 crore, with a modest growth of 9% as compared to last year.

The consolidated operating margin (before interest and depreciation) at network hospitals fell to 8.5% in FY2018 from 11.4% in FY2017, resulting in EBITDA of ₹ 222 crore. MHC Network reported a consolidated net loss of ₹ 50 crore.

It is important to note that till the third quarter of FY2018 MHC's performance was on expected lines, and in line with peers. However, dramatic changes in the external environment, especially following the Shalimar Bagh incident in November 2017, disrupted MHCs financial trajectory in the final quarter.

There were various other factors, regulatory and voluntary, that had a dampening impact on MHC's financial performance during the year. Some of these changes are structural and some one-offs and recovery is underway. If we were to adjust for the impact of some of these one-off events, we would

During the year, the Max Healthcare Network of Hospitals reported Gross Revenues of

₹ 2,787 crore, with a modest growth of 9% as compared to last year.

observe better growth especially in some of our tower specialties like Cardiology and Orthopaedics; Oncology at 24% growth continues to be fastest growing speciality within the MHC network. The Liver Transplant Programme, which we embarked on in later part of FY2017, is also scaling up well with more than 200 surgeries completed during the year.

In response to some of the headwinds mentioned earlier, MHC delivered ₹ 73 crore of savings in FY2018 across cost lines.

Despite all the challenges, MHC has preserved its core. This is reflected in lower than plan employee attrition, and, superior scores on patient satisfaction (as measured by IMRB) and on clinical quality metrics. I am also delighted to share that MHC won Bronze at ASQ World Conference for Quality and Improvement 2018, the first healthcare organization in the last 10 years to win one of the top 3 awards.

Max Bupa Health Insurance (Max Bupa)

Max Bupa reported a strong 27% growth in its topline with Gross Written Premium (GWP) of ₹ 755 crore in FY2018. The growth in revenues was primarily driven by 23% growth in new sales and 29% growth in renewals. The growth in GWP was driven by both bancassurance as well as proprietary channels such as agency and digital.

The business also reported a Net Profit of ₹ 23 crore during the year, compared to a Net Loss of ₹ 4 crore in the previous year. With a provider network of

Max Bupa also reported a Net Profit of **₹23 crore**, during the year, compared to a Net Loss of ₹4 crore in the previous year.

more than 4,500 hospitals across 500 cities catering to a growing base of nearly 3 million customers, Max Bupa closed the year as the 5th largest business-to-consumer (B2C) player amongst private insurers.

FY2018 was also a year of achieving new milestones in innovation. Max Bupa launched variety of innovations this year including a new product aimed at wellness – GoActive. This is a first of its kind, digitally enabled customer-centric offering. It is the outcome of collaboration between the industry's premier health-tech providers, including GOQii, a prominent brand in wearable fitness devices, Practo, India's leading online aggregator app for healthcare, and 1mg, a leading online pharmacy; to create a digitally enabled wellness ecosystem that seamlessly integrates all these services on a single platform. GoActive was also awarded the 'Health Insurance Product of the Year 2018' by Consumer Survey of Product Innovation. Max Bupa also won the 'Best Innovative Medical Insurer' award at the 4th Annual Businessworld Healthcare Summit Awards.

Additionally, Max Bupa also launched a couple of other new initiatives – Anytime Health Machines, or Health ATMs. These are geared towards driving better customer service and at the same time generate leads at lower costs.

Antara Senior Living (Antara)

Our senior living business Antara had an eventful year with its first community in Dehradun, Uttarakhand, commencing operations in April 2017. With 92 units already booked, Antara reported collections of ₹253 as of March 2018. The community operations are running smoothly with very positive feedback from residents who have already moved in.

Growth Levers

Max Healthcare (MHC)

As I mentioned earlier, we have embarked on a journey at MHC to mitigate risks and address emerging challenges brought about by the evolving external environment. The four pillars of value creation for MHC are:

- **Optimizing existing network:** We have undertaken targeted efforts to improve speciality and channel mix, drive higher occupancy through continuous engagement of communities in the vicinity, expansion of upcountry and international presence and sustain cost rationalization initiatives.
- **Growth of hospital network:** Our expansion is prioritized in facilities that have a proven track record of delivering superior profitability. Our initial plan to double bed capacity to 5,000+ beds is intact and as we do that we will optimize capex, and adjust business model in the context of changing business environment.
- **Alternate models:** Last year, I had discussed at length our growth bets in new alternative business models including Max@Home, our homecare initiative, our pathology vertical, Max Labs and Oncology Day Care which opened its first unit in Delhi in FY2017. All these new businesses have delivered strong growth over the previous year. While we expand these businesses (e.g., launching 2 new Onco Day Care centres in Gurgaon and Noida), we will also launch new verticals in FY2019, such as Tele Radiology and Physiotherapy. We are making good progress on growing these new businesses into a sizeable scale.
- **Key enablers:** For us, metrics such as patient safety, people, technology, service experience and compliance are key to staying relevant in the longer term and be differentiated from others. We will continue to duly invest in these going forward.

Over the coming months, we will continue to closely monitor progress on the performance improvement agenda. We are confident to resurrect EBITDA margin to the level of early to mid teens over next three years.

Max Bupa Health Insurance (MBHI)

Max Bupa, having successfully delivered on the 'Getting fit for growth' agenda, will be changing gears in FY2019 and beyond to accelerate growth through well calibrated bets:

- **Distribution footprint:** While Max Bupa will continue to drive profitable scaling up of existing bancassurance alliances, it will continue its attempt to forge new partnerships. We have signed new partnerships with HDFC Bank and Karur Vyasa Bank. At the same time, MBHI will invest in expanding agency footprint to Tier 2 & 3 cities adopting a variable cost model.
- **Compelling Product Basket:** After the successful launch of 'GoActive', Max Bupa is working on new products both to strengthen proposition at the top of pyramid as well as to drive penetration across segments.
- **Cost optimization:** Max Bupa will continue to drive structural cost savings across the organization and, has identified a series of Health Risk Management (HRM) initiatives to control claims related costs.
- **Digitization across value chain:** A dedicated team will drive the digital transformation agenda. Immediate focus will be on creating an ecosystem to improve customer engagement and seller productivity and drive efficiencies in operations and claims management.

We are very excited about the growth potential and opportunities for Max Bupa and are on track to pursue Max Bupa's vision of becoming India's most admired health insurer.

Antara Senior Living

While the Dehradun community, which was a greenfield project, serves as an excellent showcase for Antara's world-class service levels and top-notch execution capabilities, we have decided to pursue growth through Operating & Maintenance (O&M), an asset light model. As part of this model, the real estate developer will own, develop, construct and complete the project, and Antara, as the O&M manager will advise and assist in design development and will drive

sales and marketing under its brand for a management fee as well as run the operations of the community, once completed.

The first project under the new model is proposed to be launched in Noida in FY2019 and, discussions are underway on a few more opportunities.

Outlook

Over the past few years, the Group has invested significantly in growth areas. These growth bets were represented in capital outlays for large hospital acquisitions in Max Healthcare, and growth capital in Max Bupa and Antara Senior Living.

However, a fast changing external environment with persistent regulatory changes and interventions necessitated re-calibration of business plans and changes in the business model. The key is to remain agile in pre-empting, responding and adjusting to these changes. While there may be some short-term pressures on profitability, with our strong fundamentals & competitive position, stable leadership team, robust governance and, deep rooted business ethics I am confident that our businesses will deliver strong profitable growth in 3-5 years.

I would like to thank each and every one of you for your continued support to your Company's vision and proposition. I also wish to thank all our employees across the Group, our business partners, investors as well as the Government and its various agencies with whom we engage actively on a near daily basis, for their continued support in helping our Company move on to the next stage of its exciting journey.

With Best Wishes,



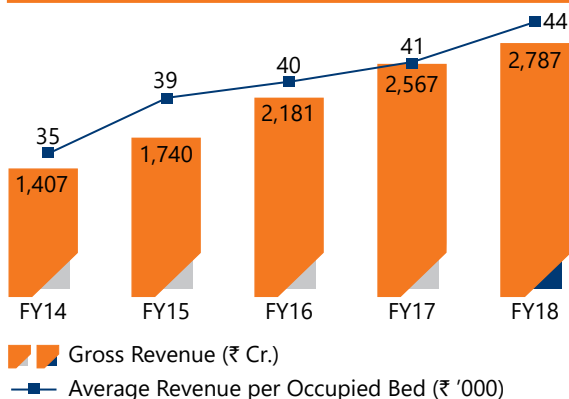
Mohit Talwar

Managing Director, Max India Limited

BUSINESS REVIEW

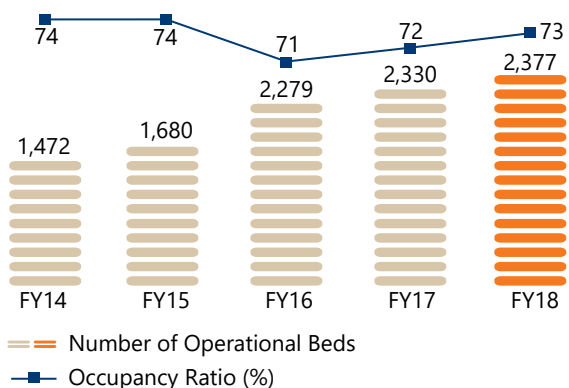


GROSS REVENUE AND AVERAGE REVENUE PER OCCUPIED BED



Steady growth in revenue per occupied bed

BED OCCUPANCY

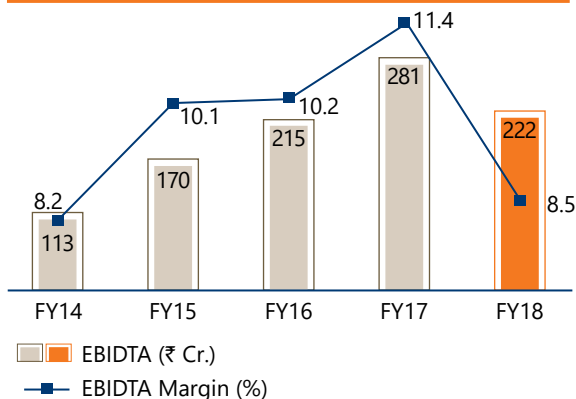


Maintained healthy occupancy levels despite bed addition momentum

2,882 Doctors, **4,756** nurses and
4,849 other trained personnel in
14 hospitals across North India

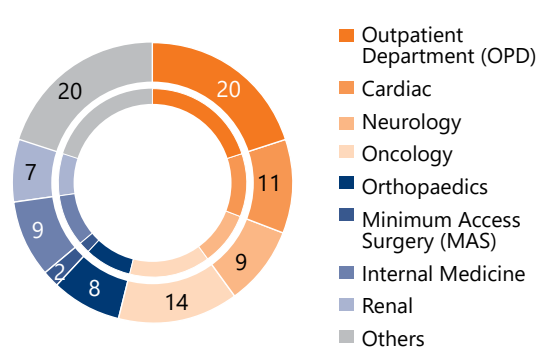
Strong growth in new business lines launched - Oncology Day Care, Max Labs and Max@Home

EBIDTA AND EBIDTA MARGIN



Till Q3 FY2018, MHC's performance was as per plan, and in line with peers. However, dramatic changes in the external environment affected its financial trajectory in the final quarter.

REVENUE SPLIT (%)



Focus on Oncology, Neurology and Renal increasing

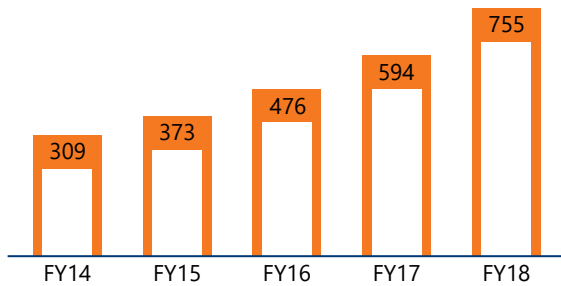
4.2 Million patients from over
80 countries

Reported profit of

₹ 23 Cr. in FY2018 vs
marginal loss of **₹ 4** Cr. in FY2017



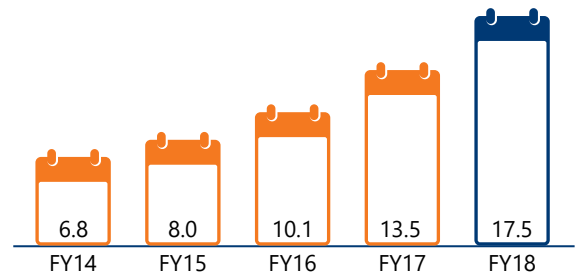
GROSS WRITTEN PREMIUM



■ Gross Written Premium (₹ Cr.)

Revenue growth led by robust growth in new sales as well as renewals

LIVES IN FORCE**

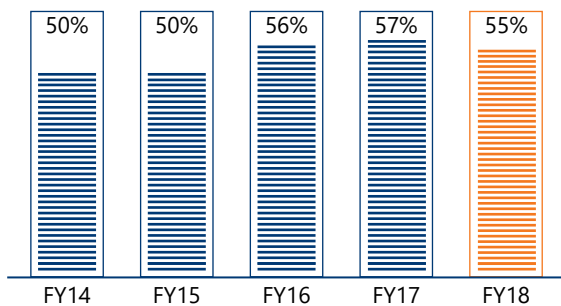


📅 Lives in Force** (Lakh)

**Excludes lives covered under RSBY

Total lives covered, including rural sector, increase to 24 lakh

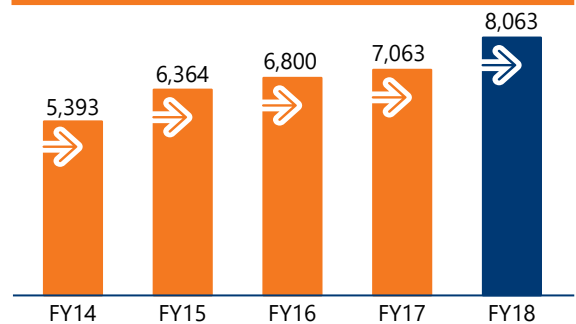
B2C CLAIMS RATIO



■ B2C Claims Ratio

Stability in Claims Ratio driven by high quality of portfolio

PREMIUM PER LIFE (B2C, ₹)



➡ Premium Per Life (B2C, ₹)

Average premium realisation increases 14% driven by growth in share of Gold and Platinum products



MANAGEMENT DISCUSSION AND ANALYSIS

MAX INDIA

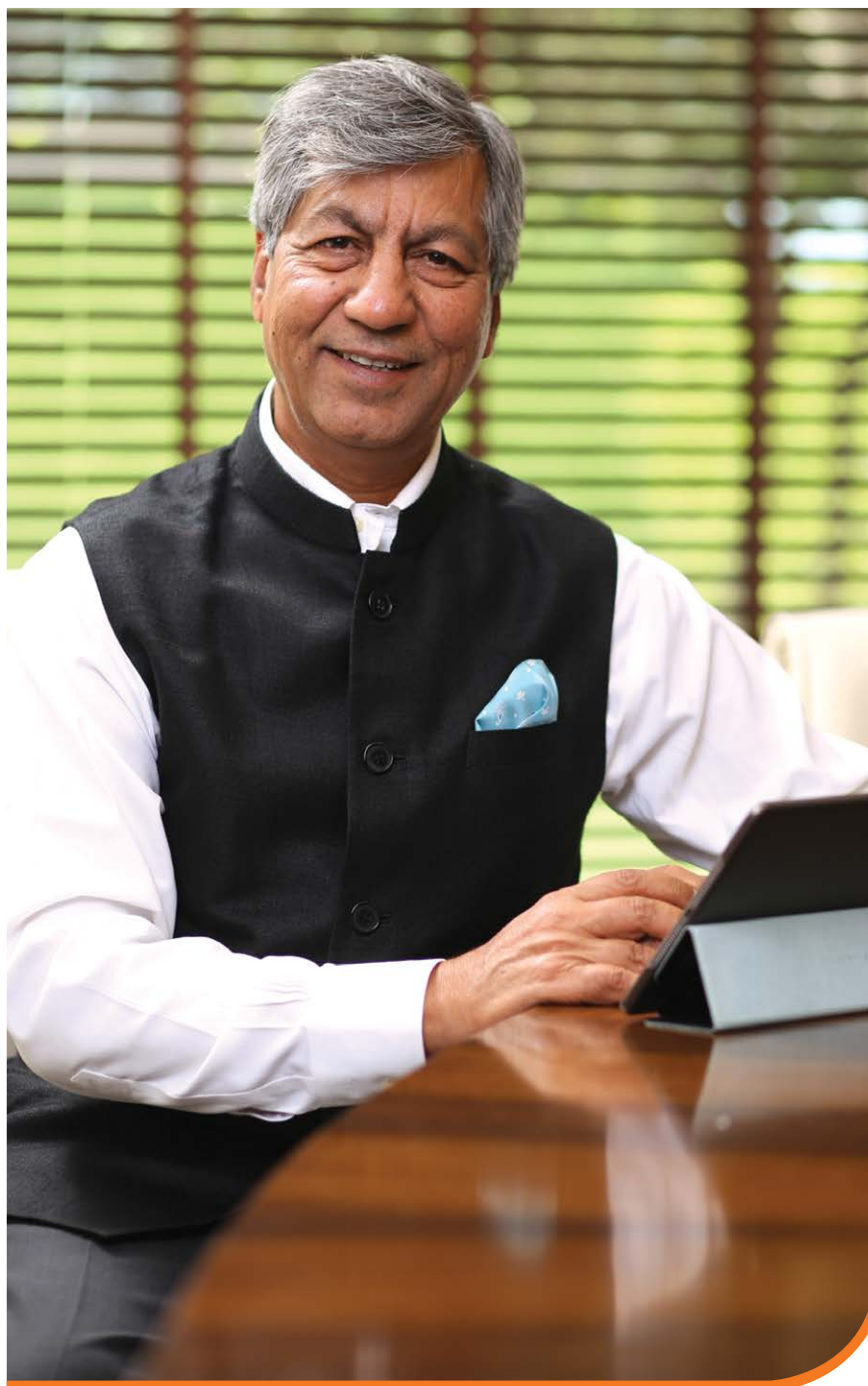
MAX HEALTHCARE

MAX BUPA

ANTARA SENIOR LIVING

MAX SKILLFIRST

BUSINESS RESPONSIBILITY
REVIEW



Mr. Mohit Talwar
Managing Director



Mr. Dharmender Kumar
Associate Director -
External Relations



Mr. Dilbagh Singh Narang
Director - Taxation



Mr. Himanshu Tiwari
Executive Assistant to
Managing Director



Mr. Jatin Khanna
Chief Financial Officer



Mr. Nitin Thakur
Director - Brand &
Communications



Mr. P. Dwarakanath
Head-Group Human Capital



Mr. Prashant Hoskote
Senior Director - Quality &
Service Excellence



Mr. Rishi Raj
Director - Strategy &
Corporate Development



Mr. V. Krishnan
Company Secretary



Max India Limited ('Max India' or 'the Company'), a part of the US\$ 3 billion Max Group, operates in the Health & Allied Services space through Max Healthcare Institute Limited, Max Bupa Health Insurance Company Limited, Antara Senior Living Limited and Max Skill First Limited.

The Company was incorporated on January 1, 2015. As a result of the demerger of the erstwhile Max India Limited (now renamed as 'Max Financial Services Limited' or 'MFSL'), the investments held by MFSL in 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, that is, April 1, 2015.

The Company's key operating businesses include:

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

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

Antara Senior Living Limited, is a wholly-owned subsidiary, and offers highly differentiated, world-class

senior living communities fulfilling lifestyle, wellness and health related requirements of senior citizens.

Max Skill First Limited (Max Skill First) is a wholly-owned subsidiary. It operates as a shared service centre for providing knowledgeable learning and development solutions and training services to companies in the Max Group as well as to external clients.

All businesses operate in highly under-penetrated sectors with potential for rapid growth and are driven by demographic and other socio-economic factors, which have a more enduring impact than short-term economic factors.

Industry Overview

Max India's key businesses operate in the Health & Allied Services sector. Indian healthcare is one of the fastest growing sectors, and is expected to reach ~USD 280 billion (nearly ₹ 18 lakh crore) by 2020. Private healthcare in India accounts for 70% market share, 60% of total beds, 60% of inpatients, 80% of outpatients and 80% of doctors in delivery of healthcare services. The industry is expected to achieve around US\$ 400 billion in sales and significantly contribute to the development of the Indian economy by FY2025. With this performance, it is poised to be amongst the top employers in the country. However, despite all the successes, the Indian healthcare system continues to grapple with myriad challenges. Some primary areas of concern include disparities in health outcomes across India, the focus on curative rather than preventive healthcare, lack of healthcare financing, the significant trust deficit between patients and institutions, regulatory uncertainty and limited skilled manpower.

Much like healthcare, the Indian health insurance sector continues to remain a fundamentally attractive industry with gross written premiums growing at a CAGR of 24% over the past 3 years. During this period, the growth of standalone health insurers has been significantly higher at 41%.

Finally, senior living as an industry category is now witnessing a growth phase with existing players developing higher value products as well as new

Max India's flagship entity Max Healthcare reported Gross Revenues of ₹ 2,787 crore in FY2018 for its network of owned and managed hospitals, growing 9%.

entrants trying to launch their first senior living ventures. However, most of these projects continue to be 'real estate' offerings by traditional real estate players and lack the sharp focus and world-class service standards of Antara's product offering.

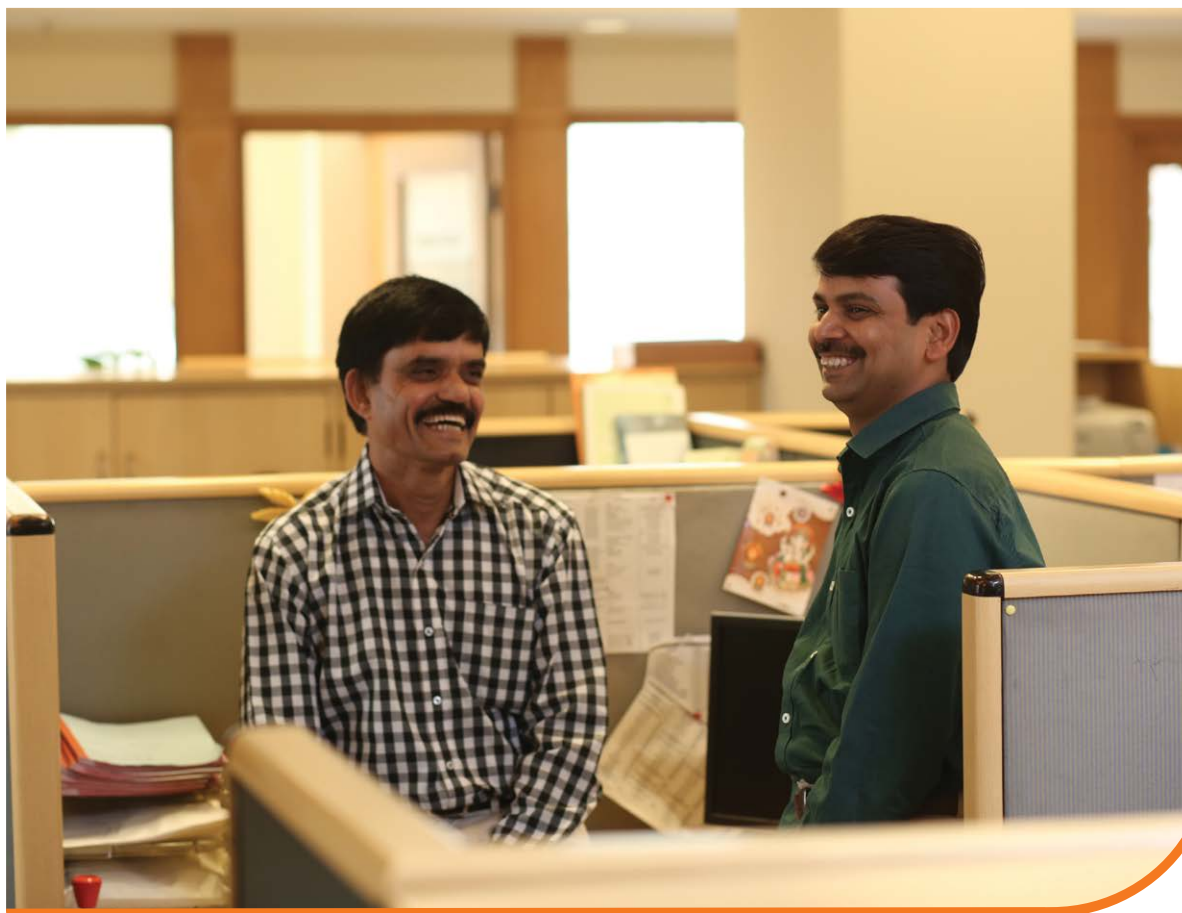
Financial Highlights

Max India's flagship entity Max Healthcare Institute Limited reported Gross Revenues of ₹ 2,787 crore in FY2018 for its network of owned and managed hospitals, growing by 9%. Owing to certain inclement circumstances, including the closure of its unit in Shalimar Bagh for about 12 days in November 2017 and its negative impact on the overall brand, the business reported a Net Loss of ₹ 50 crore during the year.

Max Bupa reported strong topline growth of 27% with Gross Written Premium (GWP) of ₹ 755 crore in FY2018. The business also reported Profit Before Tax (PBT) of ₹ 23 crore.

The growth in revenues was primarily driven by healthy growth in new sales as well as renewals, and strong channel performance in bancassurance, coupled with proprietary channels such as agency and digital.

In April 2017, Antara Senior Living commenced operations at its first community of 200 apartments near Dehradun, Uttarakhand. Over the course of the year, Antara improved collections to ₹ 250 crore, compared to ₹ 131 crore in the previous year.



In FY2018, Max SkillFirst reported revenues of ₹44.9 crore, with profits of ₹1.9 crore. During the year, the business imparted over 4.3 lakh hours of engaged training delivering big results to more than 1 lakh trainees over more than 90,000 sessions.

Human Resources

Number of permanent employees in Max India Ltd. as on 31st March 2018 is 51.

Sevabhav, Credibility and Excellence continue to be the key HR pillars, intertwined across all the talent and performance measures. The organisation has stressed throughout the year its spotlight on building effective corporate governance, fostering an inclusive work culture, enhancing talent capabilities to drive performance, and leveraging progressive ways of employee learning and development.

The Company is committed to developing and sustaining its talent pipeline by attracting and retaining the right talent and investing in capability enhancement of employees. Concerted efforts have been directed towards multiple talent management interventions, in-house training programmes as well as sponsoring employees to attend suitable external training and career development programmes for improving their functional and managerial effectiveness. Additionally, the power of Digital HR has been harnessed to multi-skill the workforce and to enrich the overall employee experience.

The Company has established an organisational structure which is agile and fluid, focused on delivering results and perform effectively in a dynamic business environment. The business strongly believes in focussing on overall employee wellness and striving

to create effective communication channels for employees such that all are aligned to the common business goals and strategy.

Opportunities and Threats

Each of Max India's businesses presents its unique challenges and opportunities. Over the past few years, Max Healthcare has invested in three alternative business lines, namely Max Labs, a pathology vertical focused on B2B and in-hospital labs, Max@Home, a vertical providing high-quality medical care at home and Oncology Day Care, under which the first unit has been set up in a prime South Delhi locality. These verticals are expected to add to revenues and profitability in the years to come, but more importantly, will increase the depth and width of MHC's coverage and offerings. Each of these new verticals has shown great promise with revenues growing 2.5-3x. MHC is also planning to launch two additional Oncology Day care centers in Gurgaon and Noida.

Further, both Max Healthcare Institute Limited and Max Bupa have made noteworthy progress in building digital capabilities and enabling an end-to-end digital journey for their customers. Some key innovations at Max Bupa include a new product called GoActive, which was launched earlier this year. Its performance has been outstanding, as is evident, with its recognition as the Health Insurance Product of the Year by 'Consumer Survey of Product Innovation'.

The primary challenges for the Company at this juncture are the growing regulatory headwinds in the healthcare sector. The Company and the healthcare sector faced multiple regulatory hurdles during the year. These include price capping on products such as knee implants and stents, margin capping on consumables and as well as ongoing concerns such as reduction on inpatient tariff and medical device price control. The burgeoning regulatory interventions necessitate frequent adjustments to business plans and projections, thereby impacting timelines and limitations.

In the health insurance sector as well, the Government's National Health Protection Scheme (NHPS), which aims to provide medical insurance cover of up to ₹ 5 lakh for over 10 crore eligible families across India, though an encouraging opportunity, presents its

The organisation has continued through the entire year its focus on building effective corporate governance, fostering an inclusive work culture, enhancing talent capabilities to drive performance and leveraging progressive ways of employee learning and development.

own challenges. The scheme entails reverse auction between the lowest 3 bidders to select the insurer, thereby putting additional strain on pricing, especially for private players. With state-level contracts, it will be testing to compete with PSUs and other large insurers owing to differences in capacity and operational capabilities. NHPS is expected to create pricing pressures on private healthcare providers as well.

Outlook

Max India has been at the forefront of advocacy initiatives, in collaboration with industry partners such as NatHealth and FICCI, to engage with the Government and arrive at mutually agreeable solutions to ameliorate the unintended consequences of major policy interventions. The Company continues to sustain its advocacy efforts through the year with the Ministry of Health & Family Welfare, the Delhi State Government, industry bodies and other key stakeholders.

In addition, each of the businesses will continue to focus on their respective priorities with MHC and Max Bupa building greater efficiencies across cost, revenue and process dimensions led by changes in technology. Specifically, with respect to improving financial performance, MHC has drawn up a holistic plan to achieve financial stability over the next year with specific deliverables. Antara will continue to focus on superior service delivery, which is at the core of its brand proposition, while exploring low-risk capital-light opportunities based on an Operator model in Delhi-NCR and Mohali region.



Mr. Rajit Mehta
Managing Director & CEO



Mr. Anas Abdul Wajid
Director - Sales and
Marketing



Mr. Anil Vinayak
Director & Zonal Head -
NCR1



Mr. Atulya Sharma
Director – Legal, Compliance
and Regulatory Affairs



Mr. Neeraj Kumar Mishra
Director & Zonal Head -
NCR 2



Mr. Rohit Kapoor
Senior Director and Chief
Growth officer



Dr. Sandeep Budhiraja
Group Medical Director



Mr. Sumit Puri
Director- IT & Chief
Information Officer



Ms. Swati Rustagi
Director - HR & Chief People
Officer



Ms. Vinita Bhasin
Director - Service Excellence
& Customer Operations



Mr. Yogesh Sareen
Senior Director and Chief
Financial Officer

GENERAL MEDICAL ADVISORY COUNCIL



Mr. Rahul Khosla
Chairman, Max Healthcare



Mr. Rajit Mehta
MD & CEO, Max Healthcare



Dr. A. K. Singh
Chairman, MIND and Max
Neurosciences Forum



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



Dr. Anurag Krishna
Director - Pediatrics &
Pediatric Surgery



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



Dr. K.K. Talwar
Chairman - Cardiac Sciences
and Cardiology



Dr. Pradeep Chowbey
Chairman - MAMBS,
Chairman - Surgery & Allied
Surgical Specialties



Dr. Sandeep Budhiraja
Group Medical Director



Dr. Subhash Gupta
Chairman - Max Center for
Liver and Biliary Sciences



India Healthcare Sector

Healthcare has become one of India's largest sectors both in terms of revenue and employment. The Indian healthcare industry is expected to grow at a CAGR of 17% between 2008 and 2020; and by 2020, this industry is expected to have a market value of USD 280 billion. A growing and ageing Indian population, with the burden of several diseases, increased government focus, rising health awareness and insurance penetration among the populace are expected to drive the growth of this sector. The last few years have also witnessed a sharp rise in Medical Value Travel and private equity investments in the sector, showed an upward graph. The Indian healthcare sector is expected to generate close to 7.5 million direct employment opportunities by 2022. With a shift in focus towards quality of service, particularly with the rising demand for tertiary and quaternary care, the industry requires specialised and highly skilled resources. Medical value travel, also popularly known as medical tourism, is gaining focus with the emergence of newer needs and with India establishing a firmer footprint as a global healthcare delivery destination. The medical tourism market in India is expected to grow at a CAGR of approximately 30% from US\$ 3.6 billion in 2015 to 10.6 billion in 2019. 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 part of healthcare delivery.

The healthcare budget allocation for 2018-19 is ₹ 52,800 crore, an increase of 5% over last year's Union Budget, revised estimate of ₹ 50,079 crore. The government has announced an ambitious plan called the National Health Protection Scheme (NHPS) to provide government-sponsored insurance to roughly 500 million people or nearly 40% of India's population. NHPS should be considered a significant move towards universal health coverage. Exact details of the scheme are being worked upon. Also, the effectiveness of its implementation will require strong centre-state coordination and a substantial fiscal funding.

The Company

Max Healthcare has a network of 14 facilities in North India, offering services across all 30 specialities. Of this, 11 facilities are located in Delhi & NCR and others in the cities of Mohali, Bathinda and Dehradun. The Max network includes state-of-the-art tertiary care hospitals in Saket, Patparganj, Vaishali, Smart, Shalimar Bagh, Mohali, Bathinda, and Dehradun. Secondary care hospitals at Gurgaon, Noida & Greater Noida and an out-patient facility and speciality centre are set up at Panchsheel Park, Pitampura and Lajpat Nagar (Cancer Care). The Super Speciality Hospitals in Mohali and Bathinda are under PPP arrangement with the Government of Punjab.

Max has a network of 2300+ leading doctors with international level expertise who are committed to provide highest standards of medical excellence at a fraction of international costs. JCI, NABH and ISO accredited hospitals offer best-in-class services to the patients. Our experts have treated 2.8+ million patients (both from India and from 80 countries across the world). Our hospitals are equipped with the most modern Cath labs, OTs with HEPA, LINAC for Radiotherapy and MRI and CT scan machines to ensure that our customers have access to all the required medical facilities.

Clinical and Service Excellence are the core premise around which our healthcare operations are structured. We have a laser sharp focus on patient safety and adopt international protocols/standards of care across our network. We are the only network doing electronic tracking of hospital acquired infections and have strong clinical governance in place as well. Various projects relating to customer satisfaction and processes such as Queue Management, Customer Listening Forums, Discharge Process etc. are monitored continuously and results are mapped in order to bring improvement. Four black belts have been deployed across the zones who lead Six Sigma Improvement projects that impact patient experience and safety. Our **Quality** service is critical to satisfying our customers and retaining

their loyalty so they continue to patronise us in the future. This sustained focus has helped Max to achieve high credibility and trust from its patients and hence, achieve high success rate in various areas of clinical care.

Major Achievements and Awards for 2017-18

Our quality service and steadfast focus in Clinical and Service Excellence have reaped rich rewards. Max has an impeccable track record and high success rate in terms of complex surgeries and patient care parameters. Max has been conferred with several awards and accolades in recognition of a variety of clinical service areas, which speaks volumes for our efforts.

Clinical Quality:

1. Winners in AHPI - Quality Beyond Accreditation for Blood Bank and Infection Control (Max Vaishali)
2. 2nd Prize for Oral Paper presentation in CAHOCON Annual International conference on monitoring Massive Transfusion protocol to improve survival and decrease overall usage of blood Component (Max Vaishali)

3. 1st Prize in Oral presentation - under category Safe Medication practice - PCSI conference (Paediatric Cardiac Society of India) (Max Patparganj - PPG)
4. Best poster on Safe Medication practice - NABH's 1st National Healthcare Quality Conclave (PPG)
5. QCI D L Shah Platinum Quality Award for reduction in Ventilator Associated Pneumonia in ICUs (Max Smart)
6. Times Healthcare Achievers Award- Legend of the Year – Cardiac Surgery (Max Smart)
7. International accolade for VTE Risk Assessment Unlocked - IHF Taipei 41st world Hospital Congress

Operational Excellence:

1. Bronze Award Winner for 'Life Savers' project (Max Bike Responder) at the World Conference for Quality and Improvement 2018, organised by the American Society for Quality (ASQ) in Seattle, USA
2. Best use of Data and Analytics - American Society of Quality (ASQ)
3. BMJ Awards South Asia 2018 (Max Smart)
4. Best Green Project In Health Care – ABP News - Healthcare Leadership Awards



MHC Team being felicitated for their Bronze Award win at the ASQ Awards 2018 held in Seattle, USA

Service Quality:

1. BPM Asia Star 2017 by Confederation of Indian Industry (CII) Institute of Quality - (Max Saket)
2. QCI DL Shah National Quality Award – Gold Award – Enhancing Patient Experience
3. Qimpro Quality Convention Award – Customer Centricity Award – Project AGILE - FY2018
4. Indian Express Healthcare Award – Best Patient Satisfaction Programme (Max Oncology Day Care)
5. AHPI award-Best Patient Satisfaction Programme (Max Lajpat Nagar)

Others:

- 1) Economic Times CIO Award for excellent technology delivery and innovations
- 2) Digital Transformer Award for Smart Ambulance by IDC Digital Transformation Awards 2018
- 3) Information Visionary Award for Online reporting of Clinical Indicators and dashboards by IDC Digital Transformation Awards 2018
- 4) 3rd Prize for Effective Communication – Video Presentation - CAHOCON 2017



MHC's Nurses Day celebrations

Financial Performance

The Company and its subsidiaries reported a consolidated income of ₹ 1783 crore, which reflects a growth of 8.0%. However, the operating profit before interest and depreciation reduced by 8.4% reflecting a decrease in operating margin by 1.7%. The consolidated cash profit was ₹ 68 crore, a reduction of almost 18.2%.

Max Network of Hospitals (including hospitals where MHC is a service provider) achieved total revenue of ₹ 2,787 crore in FY2017-18 and recorded an increase of ~9% as compared to last year. The consolidated operating margin (before interest and depreciation) at network hospitals has reduced from 11.4% in FY2017 to 8.5% in FY2018 resulting in total EBITDA of ₹ 222 crore in FY2018. The Network hospitals reported a consolidated net loss of ₹ 50 crore.

Max has achieved lower revenue and operating profits than expected for FY2018 due to several government regulations during the year such as price/ margin capping in stents and knee implants, price controls on drug prices, stoppage of re-usability etc. and other unfavourable events such as closure of Shalimar Bagh hospital, GIPSA shut down etc. that further resulted in lowering patient as well as clinician morale. Management has undertaken significant efforts in order to boost confidence of the clinical community and has revised policies and procedures in order to ensure better transparency, compliance and documentation so as to win back patient trust and loyalty.

Going forward, MHC expects to drive efficiencies from fundamental process re-engineering powered by stronger set of tools (Lean, Six Sigma), technological investments (automation) and analytics. We strive to continually focus on investing in the latest medical technology, attracting skilled physicians & surgeons, and developing our expertise in high growth tertiary care areas to cater to the increasing demand for sophisticated clinical care.

The financial numbers reported above are as per Ind AS Standards. The company has successfully made this landmark change and this is considered a hugely positive move since Ind AS is substantially closer to the accounting standards followed globally under IFRS.

Revenue for key clinical specialties or Centers of Excellence (COE – Cardiac sciences, Orthopedics, Neuro-sciences, Oncology, MAS, Liver & Biliary Sciences, and Renal Sciences) has increased by 7.5% as compared to last year.

Operational Performance

Despite unprecedented challenges during the year such as regulatory headwinds, patient/ media activism etc., Max Healthcare did reasonably well with respect to development across operational parameters owing to strong operational control and focus on growth areas. Some of the parameters are defined below:

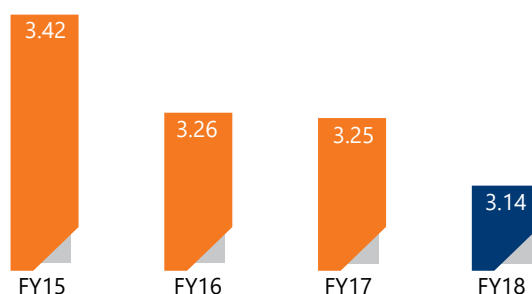
Inpatient (IP) Occupancy % - Bed occupancy for the FY2017-18 has been 73.1% as compared to 72.1% for the last financial year (2016-17). Although the occupancy YTD November had grown to 75%, however, due to negative sentiments around closure of Shalimar Bagh facility operational parameters across Max hospitals suffered a downfall. As of now, patient confidence is recovering and management is putting significant efforts to improve the morale of clinicians. The operational bed capacity has increased from 2,330 Beds to 2,378 beds in 2017-18.

COE Revenue Share – Revenue for key clinical specialties or Centers of Excellence (COE – Cardiac sciences, Orthopedics, Neuro-sciences, Oncology, MAS, Liver & Biliary Sciences, and Renal Sciences) has increased by 7.5% as compared to last year. Growth is largely driven by Oncology in medical and radiation sub-specialties owing to new clinician hiring, technology improvement, internal referrals, sub-specialties and increasing patient loyalty & confidence. Further, Liver Transplant Program was launched in January 2017 and hence, full year revenue was realized in 2018. Neurosciences ramped up

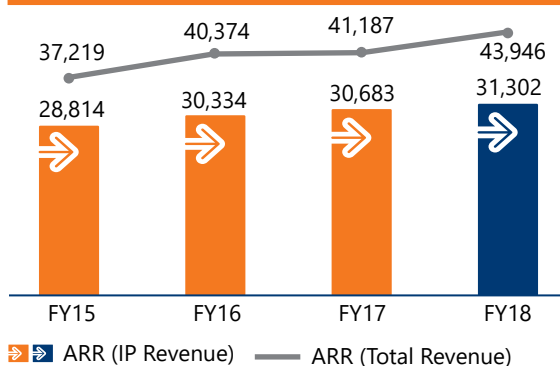
well post Oct-Nov in response to new clinical team hired for Neurology as well as Neurosciences. Other specialties suffered a dip due to multiple factors such as temporary GIPSA closure, Shalimar Bagh incident, regulatory headwinds etc. Overall the share of COE specialties, however, has remained almost same i.e. 53.8% in 2017-18 as compared to 53.7% in 2016-17.

Average Length of Stay (ALOS) – or Patient Turnaround time has decreased from 3.25 in 2016-17 to 3.14 in 2017-18 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 (ALOS)



Average Revenue Realization (ARR)



ARR – Average Revenue Realized is average daily billing for each occupied bed. The IP ARR improved by 2.0% while the hospital ARR improved by 6.7% during FY2018.

Expertise for fastest emergency response at Max Healthcare.



24x7 Central Emergency Response Centre



Fully-equipped Max Bike Responder for immediate medical attention



Advanced life support ambulance follows



Multidisciplinary team for heart attack, brain stroke, trauma and other medical emergencies

World Class Emergency Expertise – Emergency Codes & Protocols for all kinds of medical emergencies | Multidisciplinary trauma team | Fast door to balloon time for emergency heart attack treatment | Fast door to needle time for emergency brain stroke treatment | State-of-the-art clinical protocols to manage seizures and other common emergency conditions



1st private hospital network in India to launch emergency bike responder along with ambulance



Multidisciplinary team for all medical emergencies



Largest emergency network in Delhi NCR

Because we are eager to get you home.

Save this number for medical emergencies - 011 4055 4055



MHC's new bike ambulance initiative has received wide acclaim

Information and Medical Technology, Quality Certifications

MHC is constantly leveraging advancements in information technology to enable timely access to information to both patients and clinicians in order to enhance patient health, safety & care. In 2017-18, there were several notable technology interventions at MHC covering aspects such as patient safety, data tracking, employee communication and better customer engagement. Some of the initiatives that were launched are EHR enhancements such as mandatory ICD 10 diagnosis, JCI related clinical pharmacy requirements to ensure enhanced patient safety and adherence to standards in diagnosis. Multi disciplinary reminders and template in CPRS to ensure medical treatment with requisite documentation, mortality risk scoring templates to proactively identify risk scores of admitted patients have been incorporated. New initiatives to strengthen Customer Service such as the launch of Practo, (SMS information system) across MHC for mobile scheduling of appointments and reduced wait times for patients, real time IPD customer

feedback on tablets has been rolled out. A revamped patient portal quickly provides medical reports and linkage of medical records for respective families.

Several new and improved initiatives were undertaken leveraging state-of-the-art technology :

- Use of CRM for digital customer acquisition
- Max Labs pre-sales to activation lead funnel automation
- revamping E-Prescription launch across units
- launch of second phase of Max@Home new service lines at home
- introduction of smart ambulance on bikes and
- availability of life saving ambulance services with minimal lead time.

The employee engagement tool - **Sampark** has been launched for employee communication as only 30% of

MHC employees earlier had access to email. Already, 3500 employees previously disconnected have started actively using the platform for policy dissemination, corporate communication, engagement and recognition. Overall, these initiatives during the year helped to elevate the quality of medical care and decision making process while keeping the costs in check.

During the year, MHC installed 2nd LINAC in Patparganj with the latest state-of-the-art technology, Rapid Arc and SRS to cater to the growing needs of patients in East Delhi and UP. Also, existing LINACs in Saket and Patparganj have been updated to ensure faster speed, accuracy and better clinical outcomes. Max Saket has also brought its first ultra low dose Flat Panel Detector Fluoroscopy machine with enhanced diagnostic capabilities and Digital EEG Machine-128 channel for diagnosis & treatment for Epilepsy. High End Ultrasound Machine for Max Saket, Max Smart and Bhatinda are the latest technological innovations (first of its kind) in North India. Digital Radiography Systems for Max Patparganj, Smart and Vaishali have

been procured for better time efficiency through bypassing chemical processing and enhanced images. 128 Slice CT Machine for Max Patparganj has been bought for providing better equipments in the radiology department and also, to be future ready for 4D CT Planning.

Max Healthcare's Clinical Governance framework, capably led by the Clinical Directorate, Physician & Nursing Leadership, has worked relentlessly to implement safe, effective and efficient systems for patient care. The organisation has successfully sustained NABH, NABL Accreditations for all the units, JCI for Saket and has integrated clinical key performance indicators into the business review and appraisal cycle to ensure better efficiency. The achievements of these indicators have exceeded targets. This is the result of unrelenting, undivided and focused attention of our teams in the fields of Clinical Governance, Medical Quality, Clinical Data Analytics and Clinical Research. This helps us to function in line with our mission of ensuring that MHC's medical facilities, clinical expertise, technology,



MHC's Service Excellence Awards recognise the Company's best projects of the year



safety standards, medical research and quality service are comparable to the best known institutions across the globe.

Some of the other key initiatives and achievements include: (i) Twelve hospitals under Max Healthcare network are NABH accredited (ii) MedInduct - Induction program for resident doctors has successfully trained till date over 2000 doctors (iii) Many of the MHC hospitals have received several Awards & recognitions at external professional forums (iv) Formation and implementation of a centralized governance structure across the MHC network for ER, Cardiac and Neurosciences (v) Successful completion of the 2nd Annual Patient Safety Conference (APSC) at national level (vi) Improved scores of the Annual Patient Safety Culture Survey which helps measure staff perception in the system and where we stand as compared to international benchmarks (vii) Launch of VIOS patient monitoring system for reducing risk of return to ICU and lowering cost of admission to an ICU (viii) Roll out of an expanded clinical risk management program to cover Left Against Medical Advice patients (LAMA), clinical risk management and bereavement handling.

Human Resources

The new healthcare reforms, regulatory changes and contemporary medical technology have resulted in changed HR roles within healthcare organisations. The past year has seen a lot of such changes coming through from authorities and the HR function at Max Healthcare has remained swift and proactive to adapt and adjust to these changes seamlessly and efficiently. In order to keep up the volume, velocity and variety of the changing business dynamics, the people function has enthusiastically embarked on a journey towards making MHC a preferred employer.

The infusion of new HR leadership in the organisation and re-alignment of the HR team for better support to stakeholders and business has brought in more synergies and focused engagement. We strongly believe in creating a workplace environment where our employees are happy to work with opportunities to develop and flourish. We revisited our Rewards and Recognition framework and created a platform to recognise quick wins towards promoting "*Sevabhav*"

in all facets of work. In order to cater to the varied needs of our nursing fraternity, we instituted the "*Adamy*" award to foster collaboration, participatory mindset and recognition for Supervisors / Team Leaders who build great nursing teams through excellent induction, improved skilling, motivation, engagement score and retention strategy.

In the spirit of "*Khushita*" (the highest form of happiness), we conducted focused group discussions along with the employee engagement survey. This gave us real time insight into our people's minds and we took necessary action towards strengthening ourselves as an "employer of choice". With the launch of "*Sampark*", we strive to ensure that our employees are kept abreast of all business updates and there is a direct connection with the leadership and all employees alike, no matter their designation or where they are located.

We envision our employees as partners in progress and hence we have launched human resources management system at three of our units – Max Smart, Vaishali and Greater Noida. Change is driven from the topmost rung and our revised competency framework bears testimony to this fact. We rolled out the revised competency framework with eight core competencies for leadership bands this year. We plan to extend this to other units of the entire organisation in due course of time.

With due emphasis on employee satisfaction, motivation and building morale, we have articulated our compensation philosophy. It shall be a guiding light for all our people initiatives in the future. Keeping in view that the employee is at the centre of the people management function, we have simplified the performance management process for our operational cadres in front office and nursing.

We feel we are at the cusp of an interesting revolution in the people management function. We hope to create new milestones in the areas of our specialisation through collaborative participation and innovation in coming times.

We encourage children of our employees to showcase their creative prowess through a platform called

"Rang", a painting competition. To provide visibility he final artworks of these designs were printed in Max Healthcare stationery for the year 2018. Sustainability remains the key to ultimate growth and development. We have taken baby steps towards making the earth a better place to live in by collaborating with local NGOs through Pankh, our corporate social responsibility (CSR) initiative. We actively work with Max India Foundation and support several useful initiatives like immunisation, health camps/screening and providing much needed medical support in two villages in Uttarakhand.

Regulatory Environment

The following regulatory changes in 2017-18 impacted the healthcare industry in a big way.

Cashless treatment of RTA cases

In February 2018, Directorate General of Health services, New Delhi issued mandatory RTA guidelines for cashless treatment of medico legal victims of road accident, acid attack and thermal burn injury in registered nursing homes or private hospitals in New Delhi. The victim is not required to carry any document for the purpose of verification except that the incident has occurred in the jurisdiction of Delhi Police. The expenditure incurred during the treatment of such victims is to be reimbursed through Delhi Arogya Kosh which would pay at DGEHS rate.



Pankh, a CSR initiative by MHC

Revised Stent Price Capping

The National Pharmaceutical Pricing Authority has revised the price of drug eluting stents (DES) downwards by about ₹ 2,300 to just under ₹ 28,000, while marginally raising the cap on bare metal stents from ₹ 7,400 to ₹ 7,660. These caps are excluding GST. The trade margin allowed on stents remains the same at 8%. With Drug-eluting stents accounting for about 95% of all stents used in India, this means most stents will become cheaper.

Knee Joint Price Capping

After coronary stents the previous year, the National Pharmaceutical Pricing Authority (NPPA) has wielded its powers of price control on knee implants. The drug pricing watchdog slashed the prices of total knee replacement systems and their individual components by as much as 69%. The price of total knee implants made of cobalt chromium has now been capped at ₹ 54,720, down 65% from its average maximum retail price of ₹ 1.58 lakh. Total knee implants made of special metals like titanium and oxidized zirconium can be priced at a maximum of ₹ 76,600. High-flexibility implants have also seen a similar reduction in the maximum price to ₹ 56,490. Revision implants, used in repeat procedures when the initial knee implant has failed, is capped 59% lower at ₹ 1.14 lakh, down from an average of ₹ 2.77 lakh. These prices are exclusive of goods and services tax, but include trade margins for manufacturers or importers, distributors and hospitals into account.

No Re-use of Single Use Devices for CGHS Patients

As per the directive of MoHFW, reuse of single use devices will not be permitted for CGHS patients in Cardiology and other specialities, despite such reuse norms being stipulated by clinician leaders based on their experience and clinical expertise. This, it seems, is a common practice across the industry globally.

Syringes Margin Capping

In December 2017, The All India Syringes and Needles Manufacturers Association (AISNMA) decided to implement trade margin cap at 75% post NPPA intervention. The NPPA had advised manufacturers to consider regulating price themselves; otherwise, the government would be forced to take steps as they

have done to cap prices in the past for items like stents and orthopaedic implants.

Revised EWS guidelines

The Delhi Government has issued stricter guidelines for EWS compliance. All 4 notified hospitals have implemented all measures as prescribed including earmarking of beds (ICU / wards), treatment of dialysis out of IP, surgical medical mix and higher OPD compliances in hospitals.

DPCO Price Capping

The NPPA has capped the prices of 51 essential formulations, including those used for the treatment of cancer, pain, heart conditions and skin problems. The prices have been slashed in the range of 6 – 53%.

National Health Protection Scheme

The Government of India has announced the launch of its flagship National Health Protection Scheme (NHPS) as part of its fiscal budget 2018, with a focus to provide health cover of up to ₹ 5 lakh per family per year for secondary and tertiary healthcare services, with focus on around 100 million underprivileged families (~35% of national population). The comprehensive design of this scheme has not been shared yet. Also, the effectiveness of its implementation will require strong centre-state coordination and a substantial fiscal funding. Many states already run their own health schemes albeit with lower covers (typically ranging from ₹ 1,50,000 to ₹ 2,50,000), the number of new beneficiaries could be lower but still substantial.

CSR and Community Initiatives

Max India Foundation (MIF) founded in 2008, is the CSR arm of Max Group with a mission to provide quality healthcare to the underprivileged, holistic and focused wellbeing of marginalised communities through village adoption, facilitate awareness of common health related issues and work for an eco-friendly environment. This is done by engaging Max Group employees and partnering with reputed NGOs in the execution of projects. In 2017-18, two villages in Uttarakhand – Dhakrani and Chandhrothi, were adopted by Max India Foundation for intervention on the pressing issue of health and hygiene. 21 multi-specialty camps benefiting 3,088 patients were organised with the support of Max

Healthcare Dehradun during the year at these two villages. Through its pan India immunisation program to provide health care, Max India Foundation gave 18,448 shots to 8,037 children in 142 camps organised during the year. MIF organizes multi-speciality camps for the less privileged 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 1,70,201 patients have been treated through 719 camps across India. Besides these initiatives, several health awareness programmes were organized such as Dengue control and prevention, nutritional diet, ill effects of Tobacco etc.

Outlook

During FY2018, 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 to improve financial results. 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 four years we want to become the most trusted name in Healthcare, known for medical and service excellence with specialised knowledge in the areas of Oncology, Orthopaedics, Neurosciences, Organ Transplant, Cardiac and Minimal Access Metabolic & Bariatric Surgery. Further with pressure on margins consequent to some of the regulatory actions detailed above, cost optimisation efforts will be accelerated and this will continue to be an ongoing focus area for the organisation. However, we will ensure that no cost rationalisation will impact patient safety or medical quality and service. Cost control measures will be more focused on increasing the productivity of spend, eliminating waste, improved efficiencies, better negotiations with vendors and weeding out non-value added activities. The other focus of cost rationalisation would be to institutionalise and develop a culture of cost consciousness and frugality across the organisation by introducing cost-cutting measures in a variety of work areas without comprising efficiency.



Mr. Ashish Mehrotra
Managing Director & CEO



Ms. Anika Agarwal
CMO & Head - Digital and
Direct Sales



Mr. Anurag Gupta
SVP & Head - Agency
Channel



Mr. Aseem Gupta
SVP & Head - Portfolio
Management &
Affinity Channels



Mr. Atul Bhandari
SVP & Head - Bancassurance
and Alliances



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



Ms. Priya Gilbile
SVP & Head - Health Risk
Management



Mr. Rahul Ahuja
Chief Financial Officer



Mr. Tarun Katyal
Director & CHRO



Mr. Vikas Gujral
Chief Operating Officer



Max Bupa's new product GoActive was recently recognised as 'Health Insurance Product of the Year' and 'Best Product Innovation in Asia'

Max India Limited and UK based health and care giant Bupa, came together in 2010 to form a promising and enterprising joint venture, Max Bupa Health Insurance Company Ltd. (MBHI), the third standalone specialist health insurer in India.

Max Bupa, a 51:49 venture, combines Max India's local expertise in hospitals, clinical research, life and health insurance sectors with Bupa's 70+ years of global and specialized experience in health and care spanning across 190 countries.

Today, Max Bupa is a leading player in its chosen segment and is among the most trusted health insurers in the country. A compelling customer centric product proposition, combined with a strong market reputation and best-in-class technological solutions, makes Max Bupa the preferred health insurance partner to 2.8 million customers.

Max Bupa offers individual and family oriented health insurance policies for Indians across all age groups. The organisation has a longstanding working relationship with a wide network of over 4,500 top quality hospitals and health care providers in the country.

Max Bupa offers quality health insurance services through a dedicated team of over 2,000 people, 12,000 agents and its network of 29 offices across 19 cities - Delhi, Mumbai, Hyderabad, Chennai, Bangalore, Pune, Ludhiana, Chandigarh, Jaipur, Surat, Kochi, Kolkata, Patna, Goa, Gurugram, Lucknow, Vadodara, Thane and Jodhpur.

Over the last 8 years, Max Bupa has introduced many innovative offerings that cater to the evolving health needs of various customer segments.

The key differentiators of Max Bupa that set it apart from other players in the health insurance segment are:

1. An unmatched customer centric product portfolio:

Max Bupa has carved a niche for itself in the health insurance sector through its innovative and comprehensive products that are designed keeping in mind benefits for young and old customers. Max Bupa's portfolio consists of indemnity and fixed benefit plans.

- Max Bupa's market leading and comprehensive flagship product, **Heartbeat**, has a strong market penetration and sits as the most distinguished proposition in our product portfolio, with its host of 'industry first' features. Heartbeat focuses on customer centric features like enrolment at any age and lifelong renewability, which later became a part of the regulatory framework. It offers coverage to individuals and extended joint families, maternity benefit and coverage for new born, lifelong coverage for day care procedures, a unique feature, international cashless coverage for treatment of critical illnesses, tapering co-pay benefit for senior citizens and much more.
- Over the years, **Health Companion**, a comprehensive plan with tiered pricing and a host of customer-centric features: no claim bonus, refill benefit and cover for alternative treatments like Ayurveda, Unani, Siddha & Homeopathy, has been one of the recommended health plans in the market. The product is popular and contributes significant volumes to the business.
- Health Assurance is a three in one benefit plan that offers coverage for 20 critical illnesses, personal accident up to ₹5 crore along with hospital cash benefit. It is one of the most flexible fixed benefit products in the market.

2. Exemplary Service:

Max Bupa's single biggest differentiator is its laser sharp focus on service excellence and delivering a seamless experience at each customer touch point, be it at the point of sale, claim or renewal.

- To fulfill its promise at the most critical juncture, that is, point of claim which is the real moment of truth for any insurer, Max Bupa introduced 30 minute cashless claims preauthorization in India. This is one of the fastest cashless claim settlements by any insurer in the country.
- Max Bupa has successfully implemented a robust CRM solution that enables faster, seamless and real-time services to its customers, agents and partners.

Max Bupa, a 51:49 venture, combines Max India's local expertise in hospitals, clinical research, life and health insurance sectors with Bupa's 70+ years of global and specialized experience in health and care spanning across 190 countries.

- Max Bupa is utilizing latest technology and tools to enhance customer experience at each touch point. Max Bupa has self service apps for its agents and partners, namely Instalnsure and SARAL, to enable instant customer enrollment and policy issuance – creating customer delight at the point of sale.

3. Thrust on innovation:

Max Bupa has built itself a rich legacy of many firsts - be it products, service promise, brand positioning or technology led approach. The last fiscal witnessed a host of innovations by Max Bupa in the realm of point of distribution, claims and products.

- Max Bupa launched **GoActive**, India's first digitally enabled 'Everyday Use' plan that has been designed to give customers 360 degree coverage for their daily health needs including inpatient hospitalization and on-the-go access to OPD, diagnostics, personalized health coaching, second medical opinion, behavioural counselling and much more. Max Bupa has brought together the industry's premier health-tech providers including GOQii, Practo and 1mg, on a single platform to create a digitally enabled wellness ecosystem that will seamlessly offer all these services to its customers. The product was recently recognised as 'Health Insurance Product of the Year' and 'Best Product Innovation in Asia' for its unique features that highlight a paradigm shift in how health insurance is purchased, perceived and utilised in India.

- Max Bupa introduced **AnyTimeHealth**, a completely automated, technology-based model with a simple interface that offers a comprehensive awareness-to-purchase journey, overcoming the procrastination hurdle experienced by many Indians. The customers can perform non-intrusive health assessment covering Body Mass Index, Blood Pressure, Body Type & Fat %, Muscle %, Bone Mass, Body Temperature, Hydration level and Blood Oxygen %; and buy a policy instantly within 180 seconds. The 5 simple step journey of Max Bupa ATH is as follows:
 - a. Registration using email ID and phone number
 - b. Non-intrusive health assessment
 - c. Automated health insurance policy recommendation based on details entered and test output
 - d. Instant payment
 - e. Instant policy issuance
 - In keeping with Max Bupa's core tenet of achieving customer centric profitable growth, the Max Bupa '**Point of Care**' initiative was launched for our customers when they need us the most. The core value proposition behind this initiative was to create customer delight at the "Moment of truth". 'Point of Care' (POC) desks at leading hospitals help Max Bupa customers navigate the otherwise complex and tiring hospitalization procedures and protocols with ease. '**Point of Care**' is a first of its kind initiative in India that aims at making the hospitalization process smooth and seamless for policyholders. These POC desks have been established at leading hospitals in Delhi, Mumbai and Bengaluru in the first phase of the launch.
- #### 4. Market reputation and trust equity
- Max Bupa is one of the most trusted and reputed brands in the industry. Its core proposition of keeping 'customers first' in all its decisions sets it apart from other insurers in the market.



Mr. Ashish Mehrotra - MD & CEO Max Bupa taking a 'Walkfie' with Akshay Kumar



- It has emerged as the most trusted and well known health insurance company in India, consecutively in multiple consumer surveys including the coveted Superbrands in 2016 and 2017 as well as the 'Brand Trust Report' in 2014, 2015, 2016 and 2017.
- Max Bupa's flagship annual health initiative 'Walk for Health', started in 2012, has inspired millions to move towards a healthier lifestyle, over the last six years. It successfully established Max Bupa as one of the few brands that lives its purpose - of helping its people, customers and the community at large lead healthier, disease free and successful lives.
- Max Bupa is among the most popular health insurance brands on social media with close to 5.5 lakh fans on Facebook and 23,000 on Twitter. The brand's engaging and innovative content style has helped it become one of the most talked about brands on social media.

Max Bupa's core values – '**CREATE**': Caring, Respectful, Ethical, Accountable, Trustworthy and Enabling are embedded in the organization's DNA – they resonate in its overall philosophy, in each customer interaction and in the company's R&R framework. This value system is instrumental in making Max Bupa one of the most dependable health insurers in India. A name which has a quick recall value. Each employee is trained on these values at the time of joining the company and is appraised on the basis of values that he/she demonstrates through the year; senior leaders take personal accountability for their actions and demonstrate a value driven culture.

An experienced and talented team of skilled leaders with rich expertise in the BFSI industry drive the strategic direction of the company. The management team at Max Bupa is focused on providing its customers with innovative products and services that meet their evolving health needs. The team also reinvent existing models to bring healthcare closer to the patient.

They believe that a '**people first**' culture and a performance driven work environment is fundamental for employees and the organisation to grow, where enough opportunities are given to employees to learn and develop themselves within the organisation.

Industry Overview

Indian healthcare is experiencing a new wave of opportunity. In India, health insurance sector continues to experience high growth - it is the most rapidly growing segment in the BFSI sector with gross written premiums increasing by 22% from ₹ 34,588 crore in FY2017 to ₹ 42,263 crore in FY2018. Since only 27% of the Indian population has some form of health insurance coverage, the sector presents a huge opportunity of growth and thus continues to attract new players. Over the past few years, the rise in lifestyle, stress and chronic diseases like Cancer, Diabetes and Cardiovascular ailments is contributing towards the increased awareness about health insurance. According to industry experts, the health insurance market is expected to grow to ~₹ 51,500 crore of GWP by FY2020 and is likely to continue the same growth trajectory post 2020 for 3-5 years.

Max Bupa continues to cater to the B2C health insurance sector, growing at ~32% (5-year CAGR till FY2018), ahead of industry's B2C growth of 22% in terms of GWP. The Health Insurance industry continues to be dominated by 4 public sector companies, which together constitute 55% of the market share. In addition, there are 21 private general insurance players and 6 standalone health insurers. Four new private general insurance players have started operation in FY2018. Edelweiss is the latest entrant which commenced operation in March 2018.

Operations – Highlights

Max Bupa further strengthened its foothold in the Health Insurance sector with a growing base of ~ 2.8 million customers across the country, serviced via its diverse distribution channels, including a network of 12000+ agents, spread across the country, a telesales team covering 500 cities, along with deep partnerships with leading web aggregators like Policybazaar. The company also has strong enduring partnerships with leading Indian and International banks like - Bank of Baroda, Standard Chartered Bank, Federal Bank, RBL Bank, Deutsche Bank, Sarv UP Gramin Bank, Bajaj Finserv and Muthoot Finance, which provide it access to millions of customers in almost every nook and corner across the country.

With a workforce of over 2,000 people, Max Bupa has a pan India presence in 29 offices across 19 cities - Delhi,



MD & CEO Mr. Ashish Mehrotra at the launch of GoActive with Ms. Sania Mirza

Gurugram, Mumbai, Hyderabad, Chennai, Bangalore, Lucknow, Pune, Ludhiana, Chandigarh, Jaipur, Thane, Surat, Kochi, Kolkata, Patna, Goa and Jodhpur.

Max Bupa's indemnity product offerings including its flagship product 'Heartbeat' and 'Health Companion' are favoured brands in the market and contribute to steady sales growth. With many industry first features, like international cashless, treatment for critical illnesses, coverage for 19 relationships in a single policy and tapering co-pay for senior citizens, Heartbeat now refreshed, continues to be one of the most comprehensive health insurance products in the market. The refreshed version of Health Assurance has been well received by all channel partners and customers. The product comes with attractive features:

- higher sum insured options,
- up to 3 years of tenure,
- 150% of CitiCare amount in option 2 and
- flexible combinations between the 3 different sub products – AccidentCare, CitiCare & HospiCash.

Max Bupa further fortified its existing line of retail products to strengthen its customer value proposition

with the launch of 'GoActive'. 'GoActive' is a first of its kind digitally enabled customer centric offering in the industry that caters to the 'daily health needs' of Indians and has been designed with an intent to bring a paradigm shift in the health insurance industry. Unlike traditional health insurance plans that primarily provide coverage for only inpatient hospitalization, 'GoActive' is designed as an 'every day Use' product that provides on-the-go access to OPD, diagnostics, personalized health coaching, second medical opinion, behavioral counseling and much more. 'GoActive' is the outcome of powerful collaboration of the industry's premier health-tech providers, including GOQii, Practo, and 1mg, to create a digitally enabled wellness ecosystem that seamlessly integrates all these services on a single platform.

Max Bupa also launched a number of customized offerings (on GHI & GPA format) for its group customer segments. These include a 5 year group critical illness policy and a 2 year Group health secure cover; the first is a file & use product since the Health Regulations 2016 came into effect. The company will continue to innovate and expand its retail portfolio in FY2018, to provide its customers with a wider and newer choice of products and services.

Max Bupa continues to offer fastest cashless claims settlement in the industry by fulfilling 94% cashless claims preauthorization requests within 30 minutes. Max Bupa has again taken a pioneering position by being the first Standalone health insurer (SAHI) to successfully launch 'Point of Care' model in India. The introduction of 'Point of Care' initiative has significantly improved customer experience at the moment of truth that is, the point of claim, a very touching moment for the customer. Max Bupa plans to expand POC desks in FY2018 to more network providers to deliver a better personalized experience to its customers.

Max Bupa heavily invested in tech-enabled solutions to provide exemplary service and seamless processes to all its customers. A robust Customer Relationship Management (CRM) system, Agent self-service app, Instant policy issuance app, customer self-service app are some of the technologically enabled services that are a part of Max Bupa's service offerings. The company is investing in new age technology like chatbots and artificial intelligence to further enhance and automate customer satisfaction.

Building consistent brand equity

Complementing the disruptive product – 'GoActive', which is a simple unified plan that covers majority of health needs on the go including OPD, Personal Health Coaching, Health Checks, Hospitalisation and much more –Max Bupa launched a new brand campaign that attempts to redefine how health insurance brands typically interact and engage with their customers.

The new TVC gives both – traditional health insurance policies, and GoActive – a human avatar to demonstrate their engagement and contribution to our daily lives. Max Bupa's new campaign aims to target young Indians into the health insurance fold – a change that is one of the most effective ways to drive the country's health insurance penetration. The campaign leverages humour to connect with today's evolving, younger audiences. It also sets a new benchmark with respect to the disruptive treatment of the commercial and its tonality.

Max Bupa organized the sixth edition of its flagship health initiative, 'Walk for health', as a tri-city (Mumbai, Delhi and Bengaluru) walkathon in February

2018. 'Walk for health' is a reflection of Max Bupa's commitment to help India put 'Health First' on its agenda, and brings to light its purpose of helping its customers and the public at large lead physically fit, and healthy lives. The sixth edition of the 'Walk for health' initiative saw the introduction of internationally acclaimed concept of 'Power Walk' in India. Through this idea, the company endeavours to evangelize walking as a serious sport in India. Over 28,000 Indians participated in the sixth season of the Walk and 5,000 of them participated in the first 'Power Walk' competition in India hosted by Max Bupa.

Outstanding Campaign Results:

1. **Social Media Success** - People participated and shared their experiences widely on social media. Celebrities tweeted about it and the netizens followed conversations rigorously. Interaction popularized in 20,200+ posts and 220 million impressions. 16 million people were covered through social media. Trended 5 times on Twitter.
2. **Partnership with The Times of India** - The project was widely publicized by the Times Group with 40 plus advertisements and editorial coverage in The Times Group publications. High decibel campaign of 4 weeks reaching to about 12 million people, with more than 2 hours of editorial coverage on Times Now along with the live coverage of the event.
3. **Buzz through PR** - The movement became a talking point across multiple platforms with more than **500 news articles** in print and online media and 100 minutes of unpaid airtime through electronic media across the country.

Max Bupa's key performance indicators for the year (FY2018) are as follows:

1. Gross Written Premium (GWP) increased 27% to ₹ 755 crore in FY2018 from ₹ 594 crore in FY2017.
2. Client network increased to more than 4,500, spanning over ~500 cities in India

3. 5th largest B2C player amongst private insurers with an estimated market share of 4% in the private segment (as on Mar 2018).
4. Leading Awards and Accolades:
 - Recognized as the Most Innovative Health Insurer by BusinessWorld magazine.
 - Recognized as a Super brand in 2017- Super brands is one of the biggest consumer awards in the country and is a respected name.
 - Emerged as the Most Trusted Health Insurance Brand in the Brand Trust Report 2017. This is the fourth 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.

Strategy – Staying Ahead

Max Bupa strives to achieve “Customer centric profitable growth” in the long term; cement the trust equity of its customers and employees; deliver value to all its stakeholders and be at the forefront of innovation, customer service and digitisation in the health insurance industry.

Max Bupa will relentlessly pursue to retain its focus on the retail segment. The company is building a comprehensive suite of product offerings to become a “provider of choice” for all customer segments. The impetus is on developing simple and customer centric products which can be distributed effectively through multiple partners. Max Bupa has identified customer service as a key differentiator – automation of its processes and building powerful partnerships to create a health ecosystem will become the key driver to excellent customer service. Max Bupa is strengthening its direct tie up with over 4,500 hospitals across 500 cities. Max Bupa is also developing partnerships with health-tech and insurtech companies.

In order to deliver value to all stakeholders, Max Bupa continues to focus on profitable urban & value adding segments. However, to build regional relevance it is increasing expansion to new geographies.

Health Risk Management (HRM) is one of the key strategic priorities for Max Bupa. HRM plays a major



Felicitation of awardees at the Project of the Year Awards 2018

role in ensuring that risk principles regulate the design and development of products, sales process, underwriting and policy servicing processes.

To improve its customer reach, Max Bupa is strengthening its direct tie up with over 4,500 hospitals across 500 cities. MBHI supports its customers through its in-house team of dedicated professionals including doctors.

The company is constantly enhancing its digital capability to improve experiences through digital processes, platforms and tools. Max Bupa is investing in developing a digitally enabled ecosystem, superior analytics and digitally enabled underwriting and claims to further improve its operational efficiencies.

People Development is an important commitment for the organisation. Max Bupa looks forward to invest in the development of its 2,000 employees through its “people first” agenda including the deployment of a formal talent assessment, management and development framework.

Regulatory Environment

From a regulatory perspective, the year also witnessed refurbishing of the existing insurance regulatory framework with new regulations being introduced and amendment of existing guidelines.



- **Regulator issued Guidelines on insurance e-commerce** regulating the set up of ISNP by Insurers and intermediaries (other than insurance agents) to sell and service insurance policies. The manner and procedures for grant of permission to establish an ISNP for undertaking insurance e-commerce activities in India has now been prescribed.
- IRDAI recognized that Insurers have customer sensitive information. The regulator held Insurer responsible for ensuring that adequate mechanisms are put in place to prevent leakage of personal and confidential policyholder information and ensure that information is shared only on a 'need to know' basis. Whereas, in lines with the Supreme Court order, linkage of PAN and Aadhar is still on hold. Several Insurers have installed requisite infrastructure and registered as KUA/AUA with UIDAI for storing the Aadhaar numbers.
- **New Web aggregator regulation** brought about a requirement for increased minimum capital for web aggregators and clarity on various ambiguities that existed in the erstwhile framework; thereby bringing in greater participation of web aggregators in the overall sale of insurance products in India.
- **Protection of policyholder interest** is one of the primary objectives of the regulator. This has ensured that the interests of policyholders are protected, while laying emphasis on grievance redressal; it established a robust policyholder-centric governance framework for the Insurer along with distribution channels, surveyors and other regulated entities.
- **IRDAI Circular on Obligatory Cession:** Applicable to Indian Reinsurers and other applicable insurers as per the provision of Section 101A of Insurance Act, 1938. Circular has prescribed that no sum insured limit shall be applicable for the cessions made during the period of October 1, 2017 to March 31, 2018. The Indian Reinsurer(s) may require the ceding insurer to give immediate notice of underwriting information of any cession exceeding an amount specified by the former. The ceding insurer shall inform the Indian Reinsurer(s) at all times whenever the cession exceeds such specified limits.
- **Transfer of Unclaimed Amount to Senior Citizens' Welfare Fund – Accounting Procedure:** All insurers will be required to adhere to the accounting procedure for transfer of funds into the SCWF issued by Department of Economic Affairs. All insurers having unclaimed amounts of policyholders for a period of more than 10 years as on September 30, 2017 were required to transfer the same to Senior Citizens' Welfare Fund on or before March 1, 2018. The process laid down in the SCFW Rules, 2016 specifies that the accounting procedure for transfer of funds to the Senior Citizens' Welfare Fund is required to be followed every financial year and the insurers are required to make transfers to the consolidated fund of India on or before March 1 of every year.
- **"Insurance Regulatory and Development Authority of India (Insurance Brokers) Regulations, 2018":** Key terms are defined such as Broker Qualified Person, Composite Broker, Scheme of transfer of business, Transferor. One certificate of registration will be granted to one entity in a group.

Outlook and Risks

The Indian healthcare sector is diversifying and opportunities are abundant in every segment. The health insurance sector continues to remain a fundamentally attractive industry with growth projections of ~15% over the next 3-5 years and the industry is expected to double from the current levels of ~ ₹ 42,263 crore. The industry is gradually shifting towards the B2C segment as witnessed over the last few years and is expected to continue this trend – B2C segment is the fastest growing segment with a CAGR of 22% over the last 5 years. Max Bupa, now the 5th largest B2C player in the private insurance industry, plans to continue building on its expertise in the retail segment and add more families through its novel product and service proposition. With established processes, a stable and energetic sales team and growing reputation, Max Bupa with its customer centric orientation will continue to capitalize on its market differentiation, explore new healthcare models and build long-term customer relationships.



ANTARA
SENIOR LIVING



Mrs. Tara Singh Vachani
Managing Director & CEO



Mr. Ajay Agrawal
Chief Financial Officer



Ms. Ambica Chaturvedi
Director - Human Capital



Mr. Badar Afaq
Head - Information Technology



Ms. Deepa Sood
Legal Counsel



Mr. Kenneth Sannoo
Consultant – Community Development



Mr. Nitin Mathur
Head – Projects



Ms. Renuka Dudeja
Head - Brand & Communications



Mr. Sanjay Bhatia
Head - Relationship Building

Antara Senior Living, part of the Max Group, is an idea to create an active, comfortable and warm residential concept for progressive seniors. Spread over 14 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 fifty-five. The promise of a better life at Antara for our residents is built on the pillars of a unique location, thoughtful design, a curated community and holistic wellbeing. One that offers physical, mental and spiritual well being. A place you can look forward to be a home in every sense of the word, in serene atmosphere, where one can relax in the lap of nature.

Antara thus is a 'continuous care' proposition. Full of vibrant life, an epitome of care and gracious living, the habitats can make life magical post fifty-five. With a fulfilling lifestyle and myriad opportunities to explore, engage and enjoy. Antara is a carefully designed, sprucely serviced community. Here senior citizens can enjoy in the luxury of nature with like-minded people of almost the same age group. Every minute detail is looked into; no household chores and daily routines.

At Antara, the aspiration is to create a community where our residents feel they belong to each other like a family although they may have never met before. Common interests, beliefs and hobbies bond our residents together in enigmatic threads to build and nurture a community where friends can become family. Antara truly believes that seniors should be made so comfortable that they just do not miss the comforts of their homes.

With over 60,000 square feet of recreational and wellness spaces, 190 apartments, Antara Senior Living brings a unique dimension to the perception of retirement homes in the Indian subcontinent.

Our Concept and Positioning: Antara Dehradun

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 are habituated to.

Antara has been carefully crafted by internationally renowned architects Perkins Eastman from New York and Esteva&Esteva from Spain, with design execution support from ArcopArchitecture Inc. and Studio Lotus. With leading construction partners such as Shapoorji Pallonji, Suri & Suri Constructions, Vadhera Builders (Civil works and finishing works respectively), SterlingWilson (Plumbing & Fire Fighting), Jakson (Electricals), Antara has been created with a unique design philosophy to encourage the highest quality of living. This has been integrated into every aspect of the community through an adherence to international standards of specialised design intervention. With over 60,000 square feet of recreational and wellness spaces, 190 apartments, Antara Senior Living brings a unique dimension to the perception of retirement homes in the Indian subcontinent.

Business Performance

Antara achieved the following results in FY 2018:

- a) **Sales:** By March 2018, Antara was able to achieve 91 sales.
- b) **Collection:** Antara's collections at the end of FY2018 totalled ₹ 250 Cr.
- c) **Resident Satisfaction (RSAT) Score:** Antara achieved an impressive 84.75% RSAT score in FY2018. The Resident Satisfaction survey was launched in July 2017, and is conducted on a quarterly basis. The above performance is basis the weighted average score of three surveys conducted in FY2018.
- d) **Team Engagement Score:** Antara's team engagement score in FY2018 stood at 91.30%.
- e) **Business Growth and Development:** The Antara team has been working on identifying low-risk, capital-light opportunities in Delhi/NCR and Mohali region.

Key Developments of FY2018

Antara Dehradun became operational in April 2017. Over 61 residents have already moved into their apartments. The operations team has worked very closely with the projects execution team during the transition phase. This close synchronisation has helped the operations team complete a seamless handover of projects.

With the entire team in place, all spaces being operational, both hardware and software aspects of the community are in place to offer every service to Residents as envisaged by them at the concept stage. Over 92% of the sold apartments have already been offered possession of which more than 69% Residents have moved into the Community.

FY2018 focused on the following initiatives:

1. Building efficient operational systems, processes and an integrated technology platform to help drive the Community operations smoothly.
2. Focus on stabilising community operations in terms of people, process and product.
3. Working on creating resident satisfaction survey and its implementation through an online medium, tracking of survey results, MIS and closure. The eventual goal is to move to a scoring system based on the "Happiness Index" for all residents which would be an indicator of the services provided by Antara.
4. With the Community becoming operational, there is an increased focus on acquiring customers through experiential visits to the actual site, taking likely occupants or their families around the community homes, backed with well-planned campaigns over print and digital media, advertorials, resident and client events at the Community.
5. Scouting for right growth opportunity in partnership with credible developers in Delhi NCR where Antara contributes to the partnership in the areas of its core strength, thus making it a low risk and capital light business model.
6. Creating and presenting a complete business plan for setting up such a partnership model for the approval of the Board.

Life at Antara

A typical day at Antara starts with waking up to the picturesque view of Mussourie, going for a morning walk on a jogging trail, followed by yoga / meditation. Generally, residents like to enjoy breakfast at Avika. Pre-lunch activities include pottery class at a creative workshop, aqua aerobics at 'The Pool'. Residents if they wish also have an option of going for a trip to Dehradun in a shuttle. Evening activities offer either enjoying a movie at 'The Theatre' or language learning in 'The Library' or participating in social engagement activities volunteered by residents and facilitated by Resident Engagement team at Antara. Residents also have options of enjoying tennis, badminton or golf putting, or even housie and scrabble.

Antara offers a variety of cuisine options to suit the tastes of a diverse group of people living as a Community. Spaces such as Avika, The Bar, The





Veranda, Community Kitchen have thus been organised. The Antara Wellness Centre offers medical as well as holistic wellness services to its Residents, managed by an in-house competent team.

Future Roadmap: Low Risk & Capital Light Business Model

The Antara corporate team has been working over FY2018 to create a clear roadmap for future communities based on learnings from Dehradun as well as exploring other potential similar avenues of business growth. In line with the direction of the Board, the team has been able to identify and work on a few low risk and capital light opportunities based on the Operator's model in Delhi NCR and Mohali region.

The broad highlights of Operator's model are explained below:

- I. Antara to invest ₹ 15-20 crore to a special purpose vehicle as reimbursable investment to kick start sales and initiate early construction needs, as also corporate cost expenses.
- II. Developer partner to contribute land and take the responsibility of construction

New projects are being set up with a size of 300-400 units to achieve better operational efficiency as opposed to early communities which were mostly restricted to a size of 100-200 units.

- III. Antara's responsibility will be providing Design, Quality assurance, Sales and Marketing support, Program Management during project & Sales phase and independently run the Community Operations post-handover of residences by the developer.

- IV. Antara will get a negotiated fee for services provided during the project phase as a percentage of revenue.

Industry Outlook

In India, Senior living as an industry is slowly being considered. It is witnessing a gradual growth phase with existing players trying to step up and develop higher value products as well as new entrants trying to launch their first modern senior living ventures. While most of these projects in the market are still being delivered by traditional real estate developers, there are instances where non-real estate players have started venturing into this sector. The market currently has a well developed senior home care segment as well as specialists who directly provide clinical and non-clinical services to seniors in their own homes.

New projects are being set up with a size of 300-400 units to achieve better operational efficiency as opposed to early communities which were mostly restricted to a size of 100-200 units. With the idea gradually gaining popularity among seniors, the average price point has also witnessed an upward trend with a new breed of senior living projects targeting a price segment of ₹ 55 lakh as opposed to earlier projects in the price range of ₹ 25 lakh.



A typical day at Antara starts with waking up to the picturesque view of Mussourie, a morning walk on a jogging trail, followed by yoga / meditation.

While most of the projects continue to be in the southern part of India, there are new projects which are coming up in East and North India as well. Currently there are a total of 50 players in the Indian senior living industry, out of which 15 are established players. As per a recent study done by JLL, by 2025, there shall be approximately 4,50,000 houses in the senior sector and 10,00,000 seniors would be touched by the idea of enjoying their lives in such retirement homes. These habitats aim to provide our senior citizens with an environment where choice of food, comfort, safety, right medical care and recreation is of the highest quality. Hence they would feel well looked after and happy, perhaps in the last phase of their journey. After all, they deserve this and so much more.

Outlook for FY2019

Over the course of FY2019, Antara's focus will be twofold:

1. **Antara Dehradun:**
 - a. To achieve financial sustainability for Community Operations by building operational efficiencies and attracting footfall to create additional revenues.
 - b. The Company will continue to build its brand positioning and product awareness amongst the target customers through sales and marketing initiatives, events and activities at the Community premises to generate leads and client acquisition.
2. **Growth Initiatives:** To identify low risk capital light opportunities based on Operator's model in Delhi NCR and Mohali region.



Mr. Rajender Sud
Chief Executive Officer



Mr. Anshuman Kamthan
Vice President &
Key Account Manager



Mr. Pushkar Saran
Senior Vice President &
Head Business-Operations
& Strategy



Ms. Sarika Swarup
Vice President &
Head - Content



Ms. Simar Deep Kaur
Vice President &
Head - Human Resources



Mr. Sudhir Nair
Vice President &
Key Account Manager



Mr. Sunil Solanki
Vice President &
Key Account Manager



Max SkillFirst Limited (MSF) is a wholly-owned subsidiary of Max India. Founded on the vision of improving professional skilling solutions in the sales & service sector, it is one of India's most admired Learning and Development organisation. It employs more than 350 professionals and over 1,000 freelance trainers.

FY2018 Highlights

In FY2018, Max Skill First (MSF) imparted over 4.3 lakh training hours to more than 1 lakh learners through 90,000+ sessions. During the fiscal, MSF reported revenues of ₹ 44.9 crore with profits of ₹ 1.9 crore.

Content as Business Driver

Max Skill First has developed over 900 hours of quality learning content across all disciplines (as outlined below) by using the best in skills instructional design principles.

Max Life: Customised animated, game-based, device agnostic content designed for use by Sales and Recruitment skill builders for Agency, Insurance Marketing Firm (IMF) and Customer Advisory Team (CAT) channels.

Max Bupa: Channel agnostic content on specialised health products such as Health Companion, Health Assurance and HeartBeat.

Max Healthcare: Interactive content for mobile based Max@Home application customized video based content for frequently recurring scenarios for nursing, front office and pharmacy.

MSF's accomplishments in this area received industry-wide recognition this year. The company won the **Brandon Hall Excellence Awards 2017 - Gold** second year in a row for the '**Best Use of Video for Learning**' for training videos created for Nursing and Front office for induction. MSF was also recognised for its distinctive efforts with **three National Awards** conferred by **World HRD Congress** in 2017.

Technology

In FY2018, "MSF's mobile/tablet" based app was launched for Executive Council agents and IMF channel of Max Life. At Max Bupa, MSF launched product training videos and conducted online product knowledge assessment through a designed MSF app. These innovations earned MSF the **Brandon Hall Group Excellence Awards 2017 - Silver** for '**Best Use of Mobile Learning**' and '**Best Advance in Compliance Training**'.

People First Culture

To strengthen the People First culture, MSF has introduced "Value Based Hiring" to improve the quality of trainers employed. The Company introduced a structured 30-day on-boarding training program and a common induction program, *Parichay*. More than 135 employees have been hired in FY2018 representing 42% of the current workforce across industries. MSF has launched mobile app based internal recognition system for value recognition of employees and rewarding them for exhibiting organizational values in their professional lives.

New Training Initiatives - Captive

In FY2018, dedicated training programmes undertaken include:

- **CAT channel training** - a structured training roadmap was implemented.
- **Pragati** - learning roadmap for clinicians of Max Healthcare was introduced to train them on behavioral skills.
- '**Aarohan** - Sales leadership development program' was designed for **Bank of Baroda, Direct sales, Tele-sales and Renewal channels**.

New Growth Initiatives

Max Skill First has also moved from captive to non-captive in BFSI segment and has started customised training for leading companies in the financial services segment.

The first of its kind direct-to-customer training facility of MSF for Allied Healthcare Professional education was launched in FY2018 at Vaishali, Ghaziabad. An encouraging enrolment of 100% was achieved during this year. MSF has also to its credit **India's first 3D classroom** at Vaishali centre for Allied Healthcare Diploma courses.

Outlook

Max Skill First is preparing itself to grow through different channels. As B2B training market has huge scope for training requirement and is the most lucrative segment, MSF is gearing up its potential to further expand its existing B2B training business.

Demand for Allied Healthcare professionals in the Healthcare industry is estimated to be 1.9 million. With the launch of the first medical training centre, MSF is laying the groundwork for setting up more such centres in FY2019.

BUSINESS RESPONSIBILITY REVIEW



Mohini Daljeet Singh

Chief Executive

Gulnaz and her family hail from Uttarakhand. Her father, a daily wage earner supported his daughter to pursue higher education. In 2014, Gulnaz [then 17 years old] was about to complete her 12th Standard when a young man whose proposal she had rejected threw acid on her. Gulnaz was in the hospital for 2 months and underwent multiple surgeries with some help from the CM Relief Fund.

Meanwhile, Gulnaz filed an FIR and had the culprit put behind bars for 10 years. However, she still needed additional surgeries and approached Max India Foundation (MIF) through Max Super Speciality Hospital, Dehradun. Her surgery was successfully done in October 2015. Later, Gulnaz received a scholarship

and enrolled in a college in Chennai. But this was not the end of her relationship with MIF.

When Gulnaz came home in May 2017 during her vacations, she was appalled to see her father's deteriorating condition because of a heart problem. Once again, she approached MIF, and given the criticality of her father's health, the Foundation came on board. Her father was successfully treated at Max Hospital, Patparganj and is back to leading a healthy, happy life in his hometown, while Gulnaz has returned to her graduation studies and aspires to pursue a dignified career.

This is just one of the 30 lakh such stories that MIF has had the privilege to be a part of over the past decade. The Max Group's Responsibility journey hit the significant milestone of 10 years of caring in January 2018. This journey has been characterised by the ethos of *Sevabhav* and *giving with dignity* to make a difference in the lives of the underprivileged. In these 10 years, MIF connected with 30,99,491 beneficiaries through 444 NGOs at 785 locations.

To commemorate 10 years of serving the underprivileged, a Coffee Table Book was released on Max Annual Day, on 15th January, 2018. On 22nd January, a special Thanksgiving Event was organised wherein many stakeholders including NGO partners joined in.

In FY 2017-18, Max India Foundation was felicitated with "Asia's Greatest CSR Brand Award" at the India Singapore Business & Social Forum 2018 on 29th January at Marina Bay Sands, Singapore. This Award is given to the most prominent brands that have lent a helping hand and worked towards the development of the society at large. The Foundation also received other Awards as highlighted in the box. The Foundation is humbled by the various laurels that have come its way and understands the responsibility entrusted to it.

Awards and Recognitions

- Mohini Daljeet Singh, CEO, Max India Foundation was felicitated with the CSR Person of the Year Award for her outstanding contribution to the social development sector by India CSR at the CSR Leadership Summit on 26th May 2017
- Max India Foundation was conferred with CSR Campaign of the Year Award towards Fight Against Cancer by India International CSR Conclave on 11th May 2017
- Mohini Daljeet Singh, CEO, Max India Foundation was honoured with CSR Leader of the Year Award at the India International CSR Conclave held on 11th May 2017.

Core Interventions

Health

Health needs are immediate, yet accessibility and affordability is a huge gap area for the underprivileged. Over the years, the Foundation has perfected various health interventions which bring much-needed support in the lives of the underprivileged. The interventions have been strategically designed with a blend of curative, preventive and promotive aspects. The key interventions include:

Immunisation Programme

This programme is meant for the children in the age group of 0-12 years who are Not Immunised or are Partially Immunised. Children are vaccinated against MMR, DPT, Hepatitis-B, and Typhoid as per the guidelines of WHO. The programme mandate is to "close the immunisation gap" and thus complement GOI's Mission Indradhanush. We believe that healthcare for a child must begin with protection through immunisation. The programme protects

children against nine life-threatening diseases. As a new initiative, the Foundation introduced HPV vaccine for underprivileged girls in the age group of 9-15 years for protection against cervical cancer.

In FY 2017-18, 18,448 vaccine shots were administered to children.

Health Camps

Often underprivileged people ignore niggling symptoms of ill-health due to several reasons like losing a day's wage, travelling long distances or lack of funds for even a basic consultation. Women and the elders are the worst affected. Small issues unattended can become big problems and lead to expensive treatment or loss of life.

Max India Foundation organises health camps [including general health camps and multi-speciality health camps] for the underprivileged across urban slums and rural areas with the objective of providing quality healthcare in an accessible and affordable manner. A team of qualified doctors and paramedical staff conducts the health camps wherein free consultations and medicines are provided. The range of specialties covered includes gynaecology, paediatrics,



MIF's 9th Artificial Limbs and Polio Callipers Camp was held in April 2017

ophthalmology, oncology, dental, or diabetes check-up among others. Pathology tests like random blood sugar, HB, Bone Density, ECG, etc. are also done. In certain eye check-up camps, free eyeglasses are also provided. Critical cases are referred for further treatment.

In FY 2017-18, 1,70,201 patients have benefited through 719 camps. These health camps address immediate healthcare needs of the marginalised at their doorsteps.

Surgeries and Treatment

High out-of-pocket expenses make it impossible for the underprivileged to undergo high-value surgeries. Arranging large sums of money is out of the question for them. Max India Foundation helps them to get a new lease of life. In FY 2017-18, the Foundation reached out to 1,559 patients with timely intervention, thereby preventing them from getting caught in the vicious cycle of debt and poverty. These surgeries include a large number of paediatric cardiac surgeries, neurosurgeries, orthopaedic surgeries, cataract surgeries and oncology care through Max Healthcare Hospitals.

Provision of Free Artificial Limbs and Polio Callipers to the Needy

The programme aims to improve the mobility of physically challenged individuals so that they are able to live their life independently with dignity. This enhances their self-confidence and can improve their economic well-being.

Max India Foundation's 9th Mega Artificial Limbs and Polio Callipers Camp were held in Dehradun from 18-21st April, 2017. In addition, the Foundation in partnership with Kiwanis Club of New Delhi provides 15 artificial limbs every month to the physically challenged. Further, six physically challenged youth were provided specially-designed motorised vehicles with disabled-friendly attachments in partnership with Rajiv Gandhi Foundation under their "Access to Opportunities" initiative. 391 physically challenged have been provided free of cost artificial limbs and polio callipers in FY 2017-18.

Sateshwari was accidentally hit by a truck. Her wound had just about healed when she heard of the camp in Dehradun. Sateshwari was provided with an artificial limb at the camp and she is full of hope. *"Life took an ugly turn with that unfortunate accident. I hope to be back to leading a normal life with the help of an artificial limb",* says Sateshwari.

Lifeline Express

MIF is proud to be associated with Lifeline Express which is a novel concept of train hospital on wheels [conceptualised by the Impact India Foundation]. Every year since 2008, the Foundation provides support for Lifeline Express at Madhya Pradesh. In the camp held in FY 2017-18, a total of 12,880 patients were examined.

SUPPORTING ALLIED HEALTH INTERVENTIONS

Good health is an outcome of multiple factors; therefore, Max India Foundation has been working on a host of allied-health sustaining factors like environment, nutrition, clean drinking water and others as elaborated below:

Sustainable and Eco-Friendly Environment

Good environment is a basic requirement to realise good health. World Health Organisation has estimated that 13 million deaths annually are attributable to preventable environmental causes. The Foundation's work around the environment is centred on environmental awareness coupled with environment-friendly action. In addition to tree plantation drives across Delhi, Haryana, Punjab and Uttarakhand, MIF has been spearheading structured monthly environment awareness campaigns. These campaigns serve the dual purpose of sensitising the people about the issue as well as suggesting various practical action points to improve the environment. The same is shared with key stakeholders including NGO partners as well as employees of the Max Group. The objective is to improve green cover, enhance oxygen supply as well as arrest soil erosion, thereby leaving the greener planet for the future generations.



MIF's Health Van was launched in 2017 to provide basic medical services to the under privileged in Delhi/NCR.

Clean Drinking Water

Waterborne diseases are a major reason for severe health problems. In order to provide access to clean drinking water, Max India Foundation has forayed into providing clean water in government schools meant for underprivileged children in Delhi as well as in the adopted villages. So far, nearly 14,000 children have benefited through this initiative. Clean drinking water not only has health benefits but also helps in improved learning outcomes since there is less absenteeism from school.

Nutrition

India is home to over one-third of the world's stunted (chronically malnourished) children (World Food Programme, 2016). Some of the partners we work with are engaged with malnourished children for whom getting two meals a day is a huge struggle. The mid-day meal or nutritious snack offered through Max India Foundation's support may be the only wholesome meal of the day for them. Max India Foundation made over 11,000 meals possible in FY 2017-18.

Drug De-addiction

It is estimated that around 7.21 crore people in India are affected by drugs. Drug abuse is emerging as a major health hazard with a sizeable number of youth

caught in this vicious cycle. To address the menace, Max India Foundation has been supporting a drug de-addiction counselling centre for the youth of Baramulla, J&K since April 2016. The Centre started and anchored by the Indian Army organises drug de-addiction seminars, recreational activities, individual and group counselling sessions, motivational talks and occupational rehabilitation. In FY 2017-18, the drug de-addiction programme has benefited 742 youth.

The intervention was further broadbased through our partnership with UNODC [United Nation Office of Drug and Crime]. Under the partnership, UNODC is working in the state of Punjab to curb the drug menace with focus on counselling and awareness initiatives. The partnership will also cover village Rail Majra. The training of trainers was held in November 2017 and strives to bring effective change on the ground.

HEALTH AWARENESS

Max India Foundation has given great importance to health awareness to promote healthy behavioural practices amongst underprivileged communities. We believe preventive healthcare yields better outcomes in the long-term and saves huge sums of money which would be spent on treatment. The focus areas include ills of tobacco, vector-borne disease, cancer awareness and others which are conveyed through a

mix of infotainment approaches like films, flip books, talks, demonstrations, puppet shows, etc. So far, over 18.45 lakh individuals have been reached through health and hygiene awareness initiatives. In FY 2017-18, 31,036 individuals were reached. Over the years, the awareness level of the community on various healthcare aspects has significantly improved.

Whilst health awareness remains an integrated part of all health camps, Max India Foundation runs strategic campaigns around anti-tobacco and cancer which are detailed below:

Anti-Tobacco Campaign

Tobacco kills over 10 lakh people in India every year; in Delhi alone, there are 30 lakh tobacco users. Given the gravity of the problem, Max India Foundation has been running various outreach programmes focussed against the use of tobacco with an emphasis on strict enforcement of Cigarettes and Other Tobacco Products Act (COTPA 2003). So far, 589 policemen have been sensitised including DCPs and Inspectors/Sub-Inspectors who are emerging as champions of our cause. Doctors from Max Hospitals as well as patients who are cancer survivors have played a key role in the

sensitisation of police. Further, over 27,903 people have been fined by Delhi Police for violation of COTPA which is a positive step in the enforcement of the Act.

As part of World No Tobacco Day on 31st May 2017, a televised awareness campaign was run on India Today News Channel. The campaign highlighted the alarming facts about perils of cigarette smoking. Also, the work of Max India Foundation to curb the tobacco menace was highlighted. The collaboration with India Today helped reach larger audience base.

Another element was added to the Programme when a focussed intervention on educational institutes was initiated in June 2017. Under Tobacco Free Education Institutes (TFEI) initiative, training programmes are organised for Principals of government schools so that they sensitise children on the ill-effects of tobacco as well as conduct tobacco-free audits of their respective schools. So far, 485 Principals of North Delhi Municipal Corporation schools have been trained and sensitised on COTPA.



Team Max India Foundation



An MIF immunisation camp

Cancer Screening and Awareness Camps

Recent years have witnessed a sudden spurt in cancer cases. MIF has adopted a two-pronged approach to combat the problem. On the one hand, there is an emphasis on cancer awareness as well as screening, so that cancer cases are identified at early stages for effective recovery. On the other hand, economically weak cancer patients are provided free or subsidised treatment. Max India Foundation has been conducting cancer screening camp including free mammography and pap smear tests at awareness camps. The focus is on early detection to ensure better outcomes.

Celebrate Me – Triumph Over Cancer

“Celebrate Me” celebrates the spirit of cancer survivors who braved cancer and emerged triumphant. The first season of Celebrate Me was held in 2015 and over the years it has emerged as an important annual signature event. Celebrate Me 2017 was held from 23rd to 28th September in collaboration with CanKids...KidsCan. The focus of the event was on Childhood cancer and efforts were made to spread the message from Delhi to Punjab covering a stretch of 1,500 km that childhood cancer is curable if diagnosed in time. The awareness was conducted in a unique manner with a car rally from Delhi to Punjab. The “Fight Against Cancer Champions” stopped at different locations to inform the community about prevention and cure of childhood cancer.

Max India Foundation, Evolving As Knowledge Partner

Over the years, Max India Foundation has evolved as an expert thought leader. One giant leap was taken when Max India Foundation joined hands with ASSOCHAM as Knowledge Partner for the Conference titled "Health Security For All".

The maiden Conference held on 26th May, 2016 focussed on "Health & Insurance", whereas the 2nd successive Conference held on 1st June, 2017 focussed on "Access to Quality & Affordable Healthcare". Ms. Mohini Daljeet Singh, CEO, Max India Foundation delivered the keynote address. Further, a resource paper on "Health Policy 2017" was released which was very well received by the participants.

VILLAGE ADOPTION PROGRAMME FOR DEVELOPING SUSTAINABLE VILLAGES

Max India Foundation has adopted three villages – Rail Majra in Punjab and Dhakrani as well as Chandrothi in Dehradun, Uttarakhand. The Village Adoption programme has been making a positive difference in the lives of the underprivileged. With interventions around health, sanitation, waste management, school infrastructure upgradation, skill development in the community, the programme is creating model villages to enhance the quality of life of the underprivileged. The highlights for FY 2017-18 are as follows:

Health Facilities

Due to inadequate health facilities, provision for quality health services has been made with appropriate interventions in the form of health camps, health centres, eye check-up camps and immunisation camps. The range of health services helps the villagers to avail quality services from specialists which they would not have access to otherwise.

Environment Conservation and Preservation

Max India Foundation has been sensitising villagers about the environment conservation and preservation. Tree plantation drives are almost an annual affair across all the three villages. In particular, Max India Foundation has developed a small park in Dhakrani village for the residents. The park is centrally located



A Health Camp organised by MIF

near an upcoming Aanganwadi and ITI (Industrial Training Institute) and has emerged as a hub of community activity.

Hygiene Improvement through Solid Waste Management

Waste management was an issue of concern. Max India Foundation initiated activities to implement the solid waste management system by implementing clean-up drives, awareness programme, solid waste collection, and disposal system. The villagers are also regularly sensitised on the importance of cleanliness as well as educated on segregation of waste. As part of the same, a composting unit has been set up in Dhakrani. Segregation of waste is being done, so that the organic waste does not end up in landfills and can be composted which can be used by farmers in the village.

Sanitation and Sewerage Project

Dhakrani village had no sewerage system in place. Wastewater spilled onto the garbage spread on the streets as well as polluted the sources of drinking water supply. To address the issue, a sewerage treatment project is underway. So far, over 1,00,000 running feet of the pipeline has been laid. Sand filters and septic

tanks are being built from which wastewater will be treated and will be fit for agricultural purpose. Three phases of this project are complete and the fourth phase is under construction.

Skill Development for the Youth [New Initiative]

On a special case basis, Max India Foundation has set up a life skills training centre at Dhakrani in partnership with NGO Head Held High (HHH) Foundation. The initiative provides Life Skills training to zero literate rural youth in a 6 months' intensive programme. The core of the initiative is to make India capable, where rural youth with no schooling are trained to be work-ready in a professional environment. This transformation enables such youth to be able to live life with dignity, opening up economic opportunities. The Centre was formally inaugurated in November 2017 and the first batch passed out in May 2018.

Science Lab [New Initiative]

In order to develop a scientific bent of mind amongst children, a science lab has been set up in all the three

adopted villages. Children have got access to 60 working models and the objective is to understand and appreciate the basic principles of science. Additionally, teachers have been trained so that they are able to use the models effectively and engage with children.

IMPACT

MIF with its 360-degree approach towards holistic healthcare has been able to make a genuine difference in the lives of the underprivileged. The decade-long interventions on the ground have been successful in addressing key challenges of low-quality care, lack of health awareness and limited access to health facilities. Further, the focus on health awareness has significantly helped in bringing behavioural change in the beneficiaries. They are adopting healthy practices to safeguard their health. Today, the Foundation has been able to win the trust and confidence of the community and bring smiles to their faces. Max India Foundation in its own small way has been able to make a humble contribution towards nation-building through a healthier population.





CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE REPORT

OUR CORPORATE GOVERNANCE PHILOSOPHY

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

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

■ Board Architecture

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

■ Board Processes

Various people processes of the Board have been optimized (viz. on-boarding of Directors, Board education and business engagement, enabling independence, adherence to the code of conduct etc.). Key operational aspects such as ensuring a comprehensive and well-balanced meeting agenda, timely and adequate flow of information to the Board, inviting external speakers to conduct

sessions for the Board, are in place to ensure that the Board time is spent optimally on all critical areas of the business. In addition, detailed Standard Operating Procedures are in place to ensure that the Board materials are comprehensive, crisp and relevant for strategic discussions.

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

■ Board Effectiveness

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

BOARD OF DIRECTORS

The Board of Directors of your Company as on March 31, 2018, comprised of 7 (seven) members with 1 (one) Executive Director and 6 (six) Non-Executive Directors of which 3 (three) are Independent Directors. Mr. Rahul Khosla, Chairman of the Board of Directors of the Company is a Non-Executive and Non-Independent Director.

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

There are no inter-se relationships between our Board members.

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

The details of the Directors and their attendance at the Board meeting during the year 2017-18 and at the last annual general meeting, including the details of their Directorships and Committee Memberships as of March 31, 2018 are given below:

Name of Director	Number of Board meetings held during the year 2017-18		Attendance at last AGM held on September 26, 2017	Number of Directorships in other companies as on March 31, 2018*	Number of committee positions held in other public companies as on March 31, 2018**	
	Held	Attended			Chairman	Member
Mr. Rahul Khosla [Chairman] (DIN: 03597562)	6	6	Yes	4	--	--
Mr. Mohit Talwar [Managing Director] (DIN: 02394694)	6	6	Yes	7	1	3
Mr. Ashok Kacker [Independent Director] (DIN: 01647408)	6	6	Yes	8	1	1
Mr. Ashwani Windlass [Non-Executive Director] (DIN: 00042686)	6	6	No	5	3	-
Mr. Dipankar Gupta # [Independent Director] (DIN: 05213140)	6	5	No	--	--	--
Mr. Dinesh Kumar Mittal [Independent Director] (DIN: 00040000)	6	6	Yes	11	1	7
Mrs. Tara Singh Vachani @ [Non Executive Director] (DIN: 02610311)	6	2	No	12	-	-

* Excluding Foreign Companies and Companies formed under Section 8 of the Companies Act, 2013 / Section 25 of the Companies Act, 1956.

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

Mr. Dipankar Gupta resigned from the Board of Directors of the Company effective April 11, 2018.

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

The details of equity shares of ₹ 2/- each held by Directors of the Company as on March 31, 2018 are:
(a) Mr. Rahul Khosla – 10,86,986 (Ten lakhs eighty six thousand nine hundred eighty six) shares (b) Mr. Ashwani Windlass – 1,62,850 (One Lakh Sixty Two Thousand Eight Hundred and Fifty) shares, (c) Mr. Mohit Talwar – 2,87,186 (Two lakhs eighty seven thousand one hundred eighty six) shares and (d) Mrs. Tara Singh Vachani – 1,00,000 (One Lakh) shares.

HOW DO WE MAKE SURE OUR BOARD IS EFFECTIVE?

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

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

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

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

CODE OF GOVERNANCE

In compliance with Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company had adopted a Code of Conduct for the Directors and senior management of the Company ('the Code'), a

copy of which is available on the Company's website www.maxindia.com. All the members of the Board of Directors and senior management personnel had affirmed compliance with the above mentioned regulation including Code for the financial year ended March 31, 2018 and a declaration to this effect signed by the Managing Director forms part of this report as Annexure- I.

Pursuant to the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended, the Company has adopted an Insider Trading Policy for prevention of insider trading, which is applicable to all Designed Persons including Promoters, Directors, Key Managerial Personnel, Designated employees and other Connected Persons. The said policy is available at Company's web-site at www.maxindia.com

COMMITTEES OF THE BOARD

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

Audit Committee:

As on March 31, 2018, this Committee comprised of Mr. Ashok Kacker (Chairman), Mr. Dipankar Gupta, Mr. D.K. Mittal and Mr. Mohit Talwar. All members of the Committee, except Mr. Mohit Talwar, are Independent Directors. Mrs. Tara Singh Vachani is a permanent invitee to the Committee. All the members of Audit Committee are financially literate and the Chairman possesses the required accounting and financial management expertise. Mr. V. Krishnan, Company Secretary of the Company acts as the Secretary to this Committee. Mr. Dipankar Gupta ceased to be a member of the Committee effective April 11, 2018, upon his resignation from the Board of the Company.

The scope of the Audit Committee has been defined by the Board of Directors in accordance with Regulation 18 and Part C of Schedule II of the Listing Regulations and applicable provisions of the Companies Act, 2013. This Committee inter alia, recommends appointment and remuneration of statutory auditors, secretarial auditors and internal auditors; reviews Company's financial reporting processes and systems and internal financial controls, financial and risk management policies, Company's financial statements, including annual and quarterly financial results and financial

accounting practices & policies, approval or any subsequent modification of transactions with related parties, scrutiny of inter-corporate loans and investments and reviews the functioning of the whistle blower mechanism.

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

Meetings & attendance during the year ended March 31, 2018:

Director	Number of meetings held	Number of meetings attended
Mr. Ashok Kacker	06	06
Mr. Dipankar Gupta	06	05
Mr. D.K. Mittal	06	06
Mr. Mohit Talwar	06	06

Nomination and Remuneration Committee:

As on March 31, 2018, this Committee comprised of Mr. Ashok Kacker (Chairman), Mr. Dipankar Gupta and Mr. Rahul Khosla. All the members are Independent Directors, except Mr. Rahul Khosla, who is a Non-executive non-independent Director. Mr. Mohit Talwar, Managing Director of the Company is an invitee to the Committee.

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

Meetings & attendance during the year ended March 31, 2018:

Director	Number of meetings held	Number of meetings attended
Mr. Ashok Kacker	04	04
Mr. Dipankar Gupta	04	04
Mr. Rahul Khosla	04	04

Remuneration paid to Directors during FY 2017 - 2018

During the year 2017 - 18, the Company paid sitting fees of ₹1,00,000/- (Rupees One lakh only) per meeting to its Non Executive Directors for attending the meetings of Board and Committees of the Board and separate meeting of Independent Directors.

The Company does not have any pecuniary relationship or transactions with the Non-Executive Directors of the Company other than payment of the sitting fees for attending meetings and certain ESOP granted to Mr. Rahul Khosla, Non-executive Director, pursuant to the Scheme of Arrangement described in detail in Subsequent paragraphs.

Details of the sitting fees paid to Non Executive Directors of the Company during 2017-18 are as under:

S. No.	Name of Director	Sitting Fee paid (In ₹)
1	Mr. Rahul Khosla	17,00,000/-
2	Mr. Ashwani Windlass	18,00,000/-
3	Mr. Dipankar Gupta	17,00,000/-
4	Mr. Ashok Kacker	30,00,000/-
5	Mr. D.K. Mittal	14,00,000/-
6	Mrs. Tara Singh Vachani	4,00,000/-

The remuneration payable to the Managing Director of the Company, including performance incentives and grant of ESOPs, were determined from time to time by the Nomination and Remuneration Committee and approved by the Board of directors within the limits approved shareholders of the Company in terms of applicable provisions of the Companies Act, 2013 read

with the Company's remuneration policy. The details of the remuneration policy are part of the Directors' Report attached as part of this Annual Report.

Details of the remuneration paid to Mr. Mohit Talwar as the Managing Director for the period from April 1, 2017 to March 31, 2018 are as under:

Description	Amount in ₹
Salary	70,31,028
Benefits (Perquisites)	1,99,26,899
Performance Incentive/special payments	50,35,742
Retirals	--
Service contract	5 years
Notice period	3 months
Stock options granted (in numbers)	22,155

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

In terms of the Scheme of Arrangement amongst Max Financial Services Limited (formerly Max India Limited), the Company (formerly Taurus Ventures Limited) and Max Ventures and Industries Limited (formerly Capricorn Ventures Limited) as sanctioned by the Hon'ble High Court of Punjab and Haryana at Chandigarh vide its Order dated December 14, 2015, following directors were entitled to receive stock options, proportionate to the unvested stock options held by them in Max Financial Services Limited as of Effective Date:

- Mr. Rahul Khosla - 19,46,278 (Nineteen Lakh Forty Six Thousand Two Hundred and Seventy Eight)
- Mr. Mohit Talwar - 5,22,282 (Five Lakh Twenty Two Thousand Two Hundred and Eighty Two)

Of the above, 10,86,986 options were vested with Mr. Rahul Khosla and 3,15,361 options were vested with Mr. Mohit Talwar which were since exercised and allotted as of date of this report.

Further, during the year 2017-18, the Company granted 22,155 (Twenty Two Thousand One Hundred Fifty Five) stock options to Mr. Mohit Talwar, Managing Director on April 1, 2017 entitling him to receive 22,155 (Twenty Two Thousand One Hundred Fifty Five) equity shares of ₹ 2/- (Rupees Two only) at an exercise price of ₹ 2/- (Rupees Two Only) per equity share with a graded vesting over a three year period. No other Director was granted any stock options during the year 2017-18.

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

Stakeholders Relationship Committee:

As on March 31, 2018, this Committee comprised of Mr. Ashwani Windlass (Chairman), Mr. Ashok Kacker and Mr. Mohit Talwar. Key responsibilities of this Committee are formulation of procedures, in line with the statutory guidelines, for ensuring speedy disposal of various requests received from shareholders from time to time and redressal of shareholders' and investors' complaints/ grievances. The Committee also approves the transfer and transmission of securities; and issuance of duplicate certificates etc.

Meetings & attendance during the year ended March 31, 2018:

Director	Number of meetings held	Number of meetings attended
Mr. Ashwani Windlass	06	06
Mr. Ashok Kacker	06	06
Mr. Mohit Talwar	06	06

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

The Committee has delegated the authority to effect transfer and transmission of shares up to 1000 per folio to Company Secretary / Compliance Officer, and such transfers are subsequently ratified in next meeting of the Committee. The Company has normally attended to the Shareholders / Investors complaints within a period of 7 (seven) working days except in cases which were under legal proceedings/

disputes. During the financial year ended March 31, 2018, seven (7) complaints/queries were received by the Company, which were general in nature viz. (i) non receipt of shares after dematerialization and (ii) non-receipt of annual report, all of those were resolved to the satisfaction of the respective shareholders.

Investment & Finance Committee:

As on March 31, 2018, this Committee comprised of Mr. Ashwani Windlass (Chairman), Mr. Rahul Khosla, Mr. Ashok Kacker, Mrs. Tara Singh Vachani and Mohit Talwar. The responsibilities of this Committee are to review financial performance of businesses carried on by the Company, its subsidiaries and Joint Venture Company, review and recommend revenue and capital budgets of the Company and its subsidiaries and Joint Venture Company, review and recommend various fund raising options and financial resources allocation to Company's subsidiaries and Joint Venture Company and to review proposals on business restructuring, mergers, consolidations acquisitions, investments, establishment of joint ventures and divestments of any businesses, etc.

Mr. D.K. Mittal was co-opted as a member of the Committee with effect from May 9, 2018.

Meetings & attendance during the year ended March 31, 2018:

Director	Number of meetings held	Number of meetings attended
Mr. Ashwani Windlass	06	06
Mr. Rahul Khosla	06	06
Mr. Ashok Kacker	06	06
Mrs. Tara Singh Vachani	06	02
Mr. Mohit Talwar	06	06

Corporate Social Responsibility Committee

As on March 31, 2018, this Committee comprised of Mr. Ashok Kacker, Mr. Dipankar Gupta and Mr. D.K. Mittal. The responsibilities of this Committee are as enshrined in the Companies Act, 2013 read with

Company's CSR Policy, as amended from time to time. During the year under review, this Committee met once on August 11, 2017, in the presence of all its members.

Allotment Committee:

The Board of Directors of the Company constituted an Allotment Committee of Directors comprising of Mr. Rahul Khosla, Mr. Dipankar Gupta and Mr. Mohit Talwar for allotment of Convertible Warrants ('warrants') to Mohair Investment and Trading Company Private Limited, a company forming part of Promoter Group, and/or Shares arising from conversion a company forming part of the Promoter Group of the Company. The Allotment Committee met once on June 20, 2017 for allotment of Warrants to the aforesaid entity and Mr. Rahul Khosla and Mr. Dipankar Gupta were present at the meeting.

Meetings of Independent Directors

Independent Directors had a separate meeting on August 10, 2018 whereat the following agenda items were considered, in terms of Schedule IV to the Companies Act, 2013 and provisions of the Listing Regulations:

- Evaluation of the performance of Non-Independent Directors and the Board as a whole;
- Evaluation of the performance of Chairperson of the Company; and
- Assessment of the quality, quantity and timeliness of flow of information between the Company management and the Board.

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

GENERAL BODY MEETINGS

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

Type of meeting	Date & Time	Special Resolutions passed
AGM	September 27, 2016 11:30 AM	■ Approval for appointment of Mr. Mohit Talwar as Managing Director of the Company for a period of five years from January 15, 2016 upto January 14, 2021 and approval for the payment of the remuneration to him for initial period of three years from January 15, 2016 upto January 14, 2019. ■ Approval for "Max India Employee Stock Plan – 2016".
EGM	June 10, 2017 2:30 PM	■ Issuance of Convertible Warrants to Promoter / Promoter Group entities on preferential basis
AGM	September 26, 2017 10:30 AM	■ Approval for partial modification of the special resolution passed at the first AGM held on September 27, 2016 for revision in the remuneration payable to of Mr. Mohit Talwar Managing Director of the Company.

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

POSTAL BALLOT AND POSTAL BALLOT PROCESS

During the financial year 2017-18, the Company had not passed any resolution through postal ballot process.

No resolution requiring postal ballot process as required by the Companies (Management and Administration) Rules, 2014, is proposed to be placed for the shareholders' approval at the Annual General Meeting scheduled on September 25, 2018.

MEANS OF COMMUNICATION

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

DISCLOSURES

(a) Related party transactions

There are no materially significant related party transactions with its promoters, the Directors or the management, their subsidiaries or relatives, etc., that may have potential conflict with the interests of the Company at large.

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

(b) Compliance by the Company

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

authorities on any matter relating to capital markets since its listing.

(c) Whistle Blower Policy/ Vigil Mechanism

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

(d) Disclosure of commodity price risk and commodity hedging activities

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

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

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

(f) Dividend Distribution Policy

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

SUBSIDIARY COMPANIES

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

company's website: www.maxindia.com/shareholder-information/.

The Company had one material unlisted subsidiary company viz., Max Bupa Health Insurance Company Limited ("Max Bupa") during the year 2017-18. Mr. D. K. Mittal, Independent Director of the Company is an Independent Director on the Board of Max Bupa.

GENERAL SHAREHOLDER INFORMATION

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

MANAGEMENT DISCUSSION & ANALYSIS

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

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

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

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

DISCLOSURE ON NON-MANDATORY REQUIREMENTS

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

Shareholders' Rights:

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

Audit Qualification:

It has always been the Company's endeavor to present unqualified financial statements. There is no audit

qualification in respect of financial statements of the Company for the financial year 2017-18.

Separate posts of Chairman and CEO

The Company has appointed separate persons to the post of Chairman and the Managing Director. Mr. Rahul Khosla, a Non Executive Director is the Chairman and Mr. Mohit Talwar is the Managing Director of the Company.

Reporting of Internal Auditor

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

For **Max India Limited**
(Formerly Taurus Ventures Limited)

Rahul Khosla
Chairman
DIN: 00029641

Place: New Delhi
Date: August 10, 2018

ANNEXURE-I

TO THE CORPORATE GOVERNANCE REPORT

Declaration by the Managing Director on Code of Conduct as required by Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is to declare and confirm that the Company has received affirmations of compliance with the provisions of Company's Code of Conduct for the financial year ended March 31, 2018 from all Directors and Senior Management personnel of the Company.

For **Max India Limited**
(Formerly Taurus Ventures Limited)

Place: New Delhi
Date: August 10, 2018

Mohit Talwar
Managing Director

ANNEXURE-II

TO THE CORPORATE GOVERNANCE REPORT

CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

To
The Board of Directors,
Max India Limited
(Formerly Taurus Ventures Limited)

We, Mohit Talwar, Managing Director and Jatin Khanna, Chief Financial Officer of Max India Limited (Formerly Taurus Ventures Limited) ("the Company") certify that:

- A. We have reviewed the financial statements and the cash flow statement of the Company for the financial year ended March 31, 2018 and that to the best of our knowledge and belief:
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that are misleading; and
 - (b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, wherever applicable, deficiencies in the design or operation of such internal controls, if any, of which we are aware of, and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee, wherever applicable:
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

For **Max India Limited**
(Formerly Taurus Ventures Limited)

Place: New Delhi
Date: August 10, 2018

Mohit Talwar
Managing Director

Jatin Khanna
Chief Financial Officer

ANNEXURE-III

CORPORATE GOVERNANCE CERTIFICATE

To
The Members
Max India Limited
(Formerly known as 'Taurus Ventures Limited')

We have examined the compliance of conditions of Corporate Governance by **Max India Limited** (Formerly known as 'Taurus Ventures Limited') ("the Company"), for the financial year ended March 31, 2018, as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

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

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

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

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

Date: 10th August, 2018
Place: New Delhi

Sanjay Grover
Managing Partner
CP No.: 3850





GENERAL SHAREHOLDER INFORMATION

GENERAL SHAREHOLDER INFORMATION

REGISTERED OFFICE:

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

CORPORATE OFFICE AND INVESTOR HELPLINE:

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

REGISTRAR AND SHARE TRANSFER AGENT:

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

ANNUAL GENERAL MEETING:

Date and Time: Tuesday, September 25, 2018
at 11:30 hrs

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

BOOK CLOSURE:

Wednesday, September 19, 2018 to Tuesday
September 25, 2018 (both days inclusive)

E-VOTING DATES

The cut-off date for the purpose of determining the shareholders eligible for e-voting is Tuesday, September 18, 2018

The e-voting commences on Friday, September 21, 2018 at 9.00 am IST and ends on Monday, September 24, 2018 at 5.00 pm IST.

FINANCIAL YEAR

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

Financial Calendar – 2018-19:

1. First quarter results - on August 10, 2018
2. Second quarter & half yearly results - by November 14, 2018
3. Third quarter results - by February 14, 2019
4. Annual results - by May 30, 2019

LISTING ON STOCK EXCHANGES:

BSE Limited ('BSE')

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

National Stock Exchange of India Limited ('NSE')

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

The Company confirms that it has paid annual listing fees due to BSE and NSE for the year 2018-19.

CONNECTIVITY WITH DEPOSITORIES:

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

National Securities Depository Limited
Trade World, 'A' Wing, 4th Floor
Kamala Mills Compound
Senapati Bapat Marg, Lower Parel, Mumbai 400 013
Telephone no. : 022-2499 4200
e-mail : info@nsdl.co.in
Website : www.nsdl.co.in

Central Depository Services (India) Limited
Marathon Futurex, 'A' Wing, 25th Floor
Mafatlal Mills Compound
N. M. Joshi Marg, Lower Parel, Mumbai 400 013
Telephone no. : 022-2302 3333
e-mail : helpdesk@cdslindia.com
Website : www.cdslindia.com

STOCK CODE:

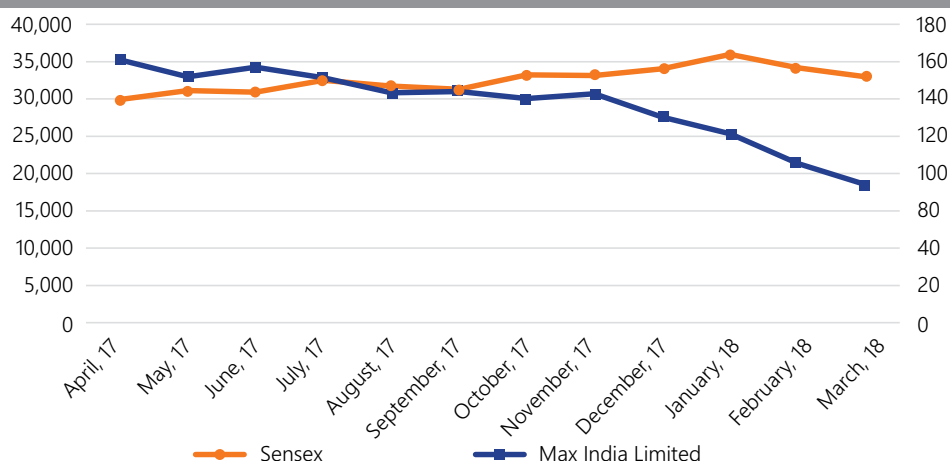
BSE - 539981
NSE - MAXINDIA
Demat ISIN No. for NSDL and CDSL - INE153U01017

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

MONTHLY HIGH AND LOW QUOTATION ON BSE LTD. (BSE) AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED (NSE)

Month	NSE		BSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2017	160.50	146.00	159.90	143.00
May, 2017	163.30	141.55	162.90	141.00
June, 2017	159.70	147.00	159.80	147.00
July, 2017	156.10	144.50	156.65	144.10
August, 2017	153.35	133.50	152.60	133.35
September, 2017	144.80	134.25	144.95	119.00
October, 2017	140.20	132.50	141.20	132.80
November, 2017	142.90	131.65	142.75	132.20
December, 2017	139.00	121.50	138.50	120.20
January, 2018	129.00	110.95	128.95	111.65
February, 2018	118.00	95.25	118.30	95.25
March, 2018	96.95	81.15	97.25	82.40

Share Price vs Sensex



SHAREHOLDING PATTERN AS ON MARCH 31, 2018:

Category	No. of shares held	% of shareholding
Promoter & Promoter Group	10,99,55,098	40.97
Mutual Funds and UTI	4,69,22,444	17.48
Banks, Financial Institutions	96,810	0.04
Insurance Companies	45,750	0.02
Foreign Institutional Investors	1,49,29,628	5.56
Foreign Portfolio Investors	5,08,54,176	18.95
Foreign Direct Investment	82,61,049	3.08
Bodies Corporate	1,36,75,283	5.10
Non-resident Indians/ Overseas Corporate Bodies	11,97,010	0.45
Clearing Members	2,83,155	0.11
Resident Individuals	2,21,60,262	8.26
Trusts	2,400	0.00
Total	26,83,83,065	100.00

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2018:

No. of Shareholders	Percentage to total shareholders	Shareholdings	No. of shares	Percentage to total shares
34306	96.61	1 to 5000	1,00,94,182	3.76
574	1.62	5001 to 10000	20,98,852	0.78
300	0.84	10001 to 20000	22,18,215	0.83
81	0.23	20001 to 30000	10,10,524	0.38
39	0.11	30001 to 40000	7,18,037	0.27
23	0.06	40001 to 50000	5,25,238	0.19
73	0.21	50001 to 100000	26,15,210	0.97
112	0.32	100001 – Above	24,91,02,807	92.82
35,508	100	Total	2,68,383,065	100

DEMATERIALISATION STATUS AS ON MARCH 31, 2018:

- (i) Shareholding in dematerialised mode 99.40%
- (ii) Shareholding in physical mode 0.60%

RECONCILIATION OF SHARE CAPITAL AUDIT

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

FOR SHAREHOLDERS HOLDING SHARES IN DEMATERIALIZED MODE

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

UPDATE FOR SHAREHOLDERS HOLDING THEIR EQUITY SHARES IN PHYSICAL FORM

Your kind attention is drawn towards The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth amendment) Regulations, 2018 notified on June 08, 2018, vide which SEBI prescribed that w.e.f. December 4, 2018, the transfer of securities, in physical form, shall not be



processed unless securities are held in dematerialized form with any of the depository and therefore, all members holding shares in physical form are further advised to convert their shareholding from Physical form to Demat form with a Depository Participant of their choice.

SHARE TRANSFER SYSTEM

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

DIVIDEND

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

OUTSTANDING GDRS/ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY:

There were no outstanding GDRs/ADRs/Warrants or any Convertible instruments as on March 31, 2018. However, on June 20, 2017, the Company has issued and allotted 193,84,854 Convertible Warrants on preferential basis to Mohair Investment and Trading Company Private Limited, an entity belonged to the Promoter Group, in accordance with Chapter VII of the SEBI (ICDR) Regulations, 2009 and such warrants are convertible into equal number of equity shares of ₹ 2/- each within eighteen months from the date of their allotment. After conversion of all these Warrants, the Promoter's shareholding will increase from exiting 41.13% to 45.12%.

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

COMMUNICATION OF FINANCIAL RESULTS

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

ADDRESS FOR CORRESPONDENCE WITH THE COMPANY

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

REGISTRAR & TRANSFER AGENT

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

Contact Person

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

CORPORATE OFFICE

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

Contact Persons

Mr. Pankaj Chawla,
Sr. Manager- Secretarial

Mr. V. Krishnan
Company Secretary and Compliance Officer

Tel. No.: - 011-42598000
Fax No.: - 011-26324126
e-mail:- vkrishnan@maxindia.com

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

For **Max India Limited**
(Formerly Taurus Ventures Limited)

Rahul Khosla

Chairman

DIN: 00029641

New Delhi
August 10, 2018





FINANCIAL REVIEW



BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting the third Board's Report of Max India Limited ('the Company') along with the audited Statement of Accounts for the financial year ended March 31, 2018. This Board's report is prepared on the basis of standalone financial statements of the Company for the year ended March 31, 2018.

Standalone Results

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

(Rs. Crore)		
Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Income		
Revenue from operations	66.32	51.63
Other income	0.01	0.05
Total revenue	66.33	51.68
Expenditure		
Employee benefits expense	25.24	24.04
Depreciation & Amortisation	0.87	0.80
Other expenses	26.13	26.29
Total expenses	52.24	51.13
Profit/(Loss) before tax	14.09	0.55
Tax expense	7.78	3.13
Profit/(Loss) After Tax	6.31	(2.58)

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

During the year under review, your Company was a Core Investment Company ("CIC") under the Non-Banking Financial Companies Regulations (NBFC Regulations) as defined under the RBI Act, 1934, as its financial income exceeded 50% of its total income and its financial assets (investments in securities etc.) exceeded 50% of the total assets for the financial year ended March 31, 2017. However, it didn't meet the criteria stipulated by RBI for registration as a Systemically Important CIC under Section 45-IA of the RBI Act, 1934.

Your company ceased to be a CIC for the current financial year i.e. FY 2018-19 as it does not satisfy the above stated financial parameters basis the audited

financial statements for the year ended March 31, 2018.

Consolidated Results

In accordance with the Companies Act, 2013 ("the Act") and Accounting Standard (AS) - 21 on Consolidated Financial Statements read with AS - 27 on Financial Reporting of Interests in Joint Ventures/ subsidiaries/ step down subsidiaries, the audited consolidated financial statements are provided as part of this Annual Report.

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

(Rs. Crore)		
Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Income		
Revenue from operations	1570.88	1416.06
Other Income	44.90	24.38
Total Revenue	1615.78	1440.44
Expenses		
Cost of materials consumed	0.58	--
Purchase of pharmacy and pharmaceuticals supplies	225.84	194.46
(Increase)/ decrease in inventories of traded goods	(2.54)	(0.01)
Employee benefits expense	426.94	348.77
Depreciation & Amortisation	73.48	53.24
Professional and consultancy fees	185.75	162.23
Claims and other benefits payout	282.95	278.56
Other expenses	392.72	401.20
Finance cost	78.31	52.70
Total Expenses	1664.85	1491.15
Profit /(Loss) Before Tax	(48.27)	(50.71)
Tax Expense	16.01	3.25
Loss after tax from continuing operations (A)	(64.28)	53.96
Profit after tax from discontinued operations (B)	4.91	7.81
Minority Interest (C)	(11.92)	(0.05)
Net loss (after adjusting minority interest) (A+B+C)	(71.29)	(46.20)

Share Capital

The Authorized share capital of the Company as on March 31, 2018 was Rs. 60,00,00,000/- (Rupees Sixty Crores only) comprising of 30,00,00,000 equity shares of Rs. 2/- each.

During the year under review, 11,13,016 equity shares of Rs. 2/- each were allotted for cash, on exercise of stock options by eligible employees under the 'Max India Employee Stock Plan 2016'.

The Paid up capital of the Company as on March 31, 2018 was Rs. 53,67,66,130 (Rupees Fifty three crores sixty seven lakh sixty six thousand one hundred thirty only) comprising of 26,83,83,065 equity shares of Rs. 2 each.

Further, your Company allotted 38,281 equity shares of Rs.2/- each for cash under the aforesaid Stock Plan post March 31, 2018 till the date of the Directors' report i.e. August 10, 2018.

Employee Stock Option Plan

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

Pursuant to the Composite Scheme of Arrangement amongst Max Financial Services Limited (formerly 'Max India Limited') (MFSL), Max India Limited (formerly 'Taurus Ventures Limited') (the Company) and Max Ventures and Industries Limited (formerly 'Capricorn Ventures Limited') and their respective shareholders and creditors, sanctioned by the Hon'ble High Court of Punjab and Haryana vide order dated December 14, 2015, the stock option-holders of MFSL were granted 25,03,560 stock options of the Company in proportion to the options held by them in MFSL with similar vesting schedule. Till date, the Company has issued and allotted 14,17,118 Equity shares of Rs. 2/- each, on the exercise 5,30,618 stock options at an exercise price of Rs.2/- per option and 8,86,500 stock options at an exercise price of Rs.77.80/- per option by the stock option-holders of MFSL.

In addition to above, the Nomination and Remuneration Committee of the Company granted 1,08,749 stock options to Mr. Mohit Talwar, Managing Director of the Company, of which 20,220 equity shares of Rs. 2/- each have been issued and allotted to him till date upon exercise of 20,220 stock options of Rs.2/- each.

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

Employee Benefits) Regulations, 2014.

As required under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, the applicable disclosures as on March 31, 2018 are available on the Company's website at www.maxindia.com

Extracts of Annual Return

Pursuant to Section 134(3)(a) and Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extracts of the Annual Return as at March 31, 2018 (MGT-9) is enclosed as 'Annexure - 1' to this report.

Subsidiaries, Associates and Joint Ventures

As of March 31, 2018, your Company had nine (9) subsidiaries and one (1) Associate Company, out of which six (6) Subsidiary Companies are direct Subsidiaries. Further, the Company owns 100% of the share capital in residual three (3) subsidiaries, on a pass through basis.

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

A report on the performance and financial position these subsidiaries and Associate Company, included in the consolidated financial statements, presented in Form AOC-1 is enclosed as 'Annexure - 2' to this report. Further, a detailed update on the business performance and contribution of your Company's key operating subsidiaries in the performance of the Company is furnished as part of Management Discussion and Analysis section which forms part of the Report.

As provided in Section 136 of the Act, the financial statements and other documents of the subsidiary companies are not being attached with the financial statements of the Company. The complete set of financial statements including financial statements of the subsidiaries of the Company is available on our website www.maxindia.com. These documents will also be available for inspection during business hours at the Registered and Corporate Office of the Company and shall also be made available to the shareholders of the Company in hard copy, on demand.

During the year under review, your Company made further investments of Rs. 99.5 crore in Antara Senior Living Limited by subscribing to 99,50,000 Compulsory Convertible Preference Shares (CCPS) of Rs.100/- each.

During the year under review, the Company acquired 2,01,49,399 equity shares of Rs. 10/- each held by International Finance Corporation, (IFC) USA in Max

Healthcare Institute Limited (representing 3.75% equity stake in Max Healthcare) for a consideration of Rs. 105/- per equity share for an aggregate consideration of Rs. 211.57 crores. Post the aforesaid acquisition, both the Company and Life Healthcare, the JV partner hold equal shareholding of 49.70% in the paid up capital of Max Healthcare.

Upon receipt of shareholders' approval at the Extraordinary General Meeting held on June 10, 2017, your Company allotted 193,84,854 Convertible Warrants on June 20, 2017 at an issue price of Rs. 154.76 per warrant to Mohair Investment and Trading Company Private Limited (an entity belonging to Promoter Group) on receipt of 25% of the warrant subscription amount, i.e., Rs. 75 crore. Each warrant is convertible into one equity share as per prevalent SEBI Guidelines upon payment of balance amount of Rs. 225 crore by the warrant holder at any time before expiry of 18 months from the date of allotment i.e. on or before December 19, 2018.

Dividend

The Board of Directors did not recommend any dividend for the financial year ended March 31, 2018, on the Equity Share Capital of the Company.

In terms of regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Company's dividend distribution policy is enclosed as 'Annexure – 3' to the board's report.

Transfer to Reserves

The Company has not transferred any amount to the General Reserves for the financial year ended March 31, 2018.

Directors

As on March 31, 2018, the Board of Directors comprised of 7 (seven) members with 1 (one) Executive Director and 6 (six) Non-Executive Directors of which 3 (three) were Independent. Mr. Rahul Khosla, Chairman of the Company is a Non Executive-Non Independent Director.

Mr. Dipankar Gupta, an Independent Director resigned from the Board of Directors of the Company with effect from April 11, 2018. The Board places on record its deep appreciation for the valuable contribution made by Mr. Dipankar Gupta as a Director of the Company.

In terms of Section 152 of the Act and the Articles of Association of the Company, Mr. Ashwani Windlass and Mr. Rahul Khosla are liable to retire by rotation at the ensuing Annual General Meeting. Mr. Ashwani Windlass and Mr. Rahul Khosla being eligible have offered

themselves for re-appointment at the ensuing Annual General Meeting. Brief profiles of these directors form part of the Notice convening Annual General Meeting.

The Board met six times during the financial year 2017-18:

S. No.	Date	Board Strength	No. of Directors Present at the meeting
1	May 11, 2017	7	6
2	May 29, 2017	7	6
3	August 11, 2017	7	7
4	November 1, 2017	7	5
5	February 13, 2018	7	7
6	March 22, 2018	7	6

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

Statement of Declaration by Independent Directors

In terms of Section 149(6) of the Act and Regulation 25 of the Listing Regulations, the Company has received declaration of Independence from its independent directors.

Committees of the Board of Directors

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

1. Audit Committee:

The Audit Committee met six times during the financial year 2017-18, viz. on May 11, 2017, May 29, 2017, August 11, 2017, November 1, 2017 and February 13, 2018 and March 22, 2018. The Committee as on March 31, 2018 consisted of Mr. Ashok Kacker (Chairman), Mr. Dipankar Gupta, Mr. Dinesh Kumar Mittal and Mr. Mohit Talwar. Consequent to the resignation of Mr. Dipankar Gupta, he ceased to be a member of the Committee effective April 11, 2018.

2. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee met four times during the financial year 2017-18, viz. on May 29, 2017, August 11, 2017, February 13, 2018 and March 22, 2018. The Committee as on March 31, 2018 consisted of Mr. Ashok Kacker (Chairman), Prof. Dipankar Gupta and Mr. Rahul Khosla. Consequent to the resignation of Mr. Dipankar Gupta, he ceased to be a member of the Committee effective April 11, 2018. Mr. D.K. Mittal was co-opted as a member of this Committee with effect from May 9, 2018.

3. Investment & Finance Committee:

The Committee met six times during the financial year 2017-18, viz. on May 11, 2017, May 29, 2017, August 11, 2017, November 1, 2017, February 13, 2018 and March 22, 2018. The Committee as on March 31, 2018 consisted of Mr. Ashwani Windlass (Chairman), Mr. Rahul Khosla, Mr. Ashok Kacker, Mrs. Tara Singh Vachani and Mr. Mohit Talwar. Mr. D.K. Mittal was co-opted as a member of this Committee with effect from May 9, 2018.

4. Corporate Social Responsibility Committee:

The Committee met once during the financial year 2017-18, viz. on August 11, 2017, in the presence of all its members. The Committee as on March 31, 2018 consisted of Mr. Ashok Kacker, Prof. Dipankar Gupta and Mr. Dinesh Kumar Mittal. Consequent to the resignation of Mr. Dipankar Gupta, he ceased to be a member of the Committee effective April 11, 2018 and later, Mrs. Tara Singh Vachani was co-opted in his place as a member of this Committee.

5. Stakeholders Relationship Committee:

The Committee met six times during the financial year 2017-18, viz. on May 11, 2017, May 29, 2017, August 11, 2017, November 1, 2017 and February 13, 2018 and March 22, 2018. The Committee as on March 31, 2018 consisted of Mr. Ashwani Windlass (Chairman), Mr. Ashok Kacker and Mr. Mohit Talwar.

6. Committee of Independent Directors:

The Committee of Independent Directors as on March 31, 2018 consisted of Mr. Ashok Kacker, Prof. Dipankar Gupta and Mr. Dinesh Kumar Mittal.

The Independent Directors had a separate meeting on August 10, 2018 in the presence of both the Independent directors and without the presence of Executive Directors to evaluate the performance of directors of the Company, the Chairman, the

board as a whole and committees thereof for the year under review. Mr. Ashok Kacker chaired the meeting. At the meeting, the independent directors also assessed the quality, quantity and timeliness of flow of information between the Company's management and the board which enables the board to effectively and reasonably perform its duties. The independent directors also discussed the strategy and risks pertaining to the Company and its subsidiaries and associate companies.

7. Allotment Committee:

Allotment Committee of Directors comprising of Mr. Rahul Khosla, Mr. Dipankar Gupta and Mr. Mohit Talwar was constituted during the year under review, for allotment of Convertible Warrants and/or Shares arising from conversion of such Convertible Warrants to Mohair Investment and Trading Company Private Limited, a company forming part of Promoter Group of the Company. The Allotment Committee met once on June 20, 2017 in the presence of Mr. Rahul Khosla and Mr. Dipankar Gupta for the allotment of Warrants to the aforesaid entity.

Performance Evaluation of the Board

As per the requirements of the Act and Listing Regulations, formal Annual Evaluation process has been carried out for evaluating the performance of the Board, the Committees of the Board and the Individual Directors including Chairperson for the financial year ended March 31, 2018.

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

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

Key Managerial Personnel

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

Nomination & Remuneration Policy

In terms of the provisions of Section 134 (3)(e) of the Act, the Board of Directors on the recommendation of the Nomination and Remuneration Committee approved a policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided and the same is enclosed as 'Annexure – 4' to this report and is also available on our website www.maxindia.com.

Corporate Social Responsibility Policy (CSR policy)

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

Report on CSR Activities of the Company for the financial year ended March 31, 2018 is enclosed as 'Annexure – 5' to this Report.

Human Resources

As on March 31, 2018, there were 51 employees on the rolls of the Company. The remuneration of our employees is competitive with the market and rewards high performers across levels. The remuneration to Directors, Key Managerial Personnel and Senior Management are a balance between fixed, incentive pay and long-term equity program based on the performance objectives appropriate to the working of the Company and its goals and is reviewed periodically and approved by the Nomination and Remuneration Committee of the Board.

Details pursuant to Section 197 (12) of the Act, read with the Rule 5(1) and Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are enclosed as 'Annexure-6a' and 'Annexure-6b' to this report.

Prevention of Sexual Harassment of Women at workplace

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

Loans, Guarantees or Investments in Securities

The Company has pursuant to the provisions of Section 186 of the Act given loans, made guarantees and investments during the year under review and the details of such loans, guarantees and investments are provided in Note No 32 to the financial statements of the Company for the FY 2017-18.

Management Discussion & Analysis

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

Report on Corporate Governance

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

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

Public Deposits

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

Contracts or Arrangements with Related Parties

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

During financial year 2016-17, the Company entered into an agreement with Max Bupa Health Insurance Company Limited (Max Bupa), a subsidiary of the Company and a related party in terms of section 2(76) of the Act, in relation to amendment to existing Trademark License Agreement executed between

erstwhile Max India Limited and Max Bupa for usage of Company's trademark/ logo by Max Bupa without charging any royalty fee in the initial period of few years. The shareholders of the Company in its meeting held on September 27, 2016 accorded their approval for execution of the above referred agreement. The relevant details of the same forms part of Form-AOC-2 annexed with the Board's report for the previous financial year 2016-17.

The details of all the Related Party Transactions form part of Note No. 28 to the financial statements attached to this Annual Report.

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

Statutory Auditors and Auditors' Report

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

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

Consequently, M/s. S R Batliboi & Co. LLP, Chartered Accountants, continues to be the statutory auditors of the Company till the conclusion of 5th AGM, as approved by shareholders at 1st AGM held on September 27, 2016.

There are no audit qualifications or reporting of fraud in the Statutory Auditors Report given by M/s S.R. Batliboi & Co., LLP, Statutory Auditors of the Company for the FY 2017-18 as annexed elsewhere in this Annual Report.

Secretarial Auditors and Secretarial Audit Report

Pursuant to Section 204 of the Act, your Company had appointed M/s Sanjay Grover and Associates, Practicing Company Secretaries, New Delhi as its Secretarial Auditors to conduct the Secretarial Audit of the Company for the FY 2017-18. The Report of Secretarial

Auditor for the Financial Year ended March 31, 2018 is enclosed as 'Annexure-7' to this report.

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

Further, your company complies with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

Cost Records

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

Business Responsibility Report

A detailed Business Responsibility Report as required under regulation 34 of the Listing Regulations, is annexed to this report as 'Annexure-8'.

Internal Auditors

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

Risk Management

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

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

Internal Financial Controls

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

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

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

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

Vigil Mechanism

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

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

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

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

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

a) Conservation of Energy

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

(iii) Capital investment on energy conservation equipment : Nil

b) Technology Absorption

Your Company is not engaged in manufacturing activities, therefore there is no specific information to be furnished in this regard.

There was no expenditure incurred on Research and Development during the period under review.

c) Foreign Exchange Earnings and Outgo

The foreign exchange earnings and outgo are given below:

Total Foreign Exchange earned : Nil

Total Foreign Exchange used : Rs. 144.65 Lacs

Directors' Responsibility Statement

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

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

Material Changes Affecting Financial Position

There are no material changes and commitments, affecting the financial position of the Company which has occurred between the end of the financial year of the Company i.e. March 31, 2018 and the date of the Directors' report i.e. August 10, 2018.

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

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

Unclaimed Shares

During the year under review, unclaimed shares lying with the Company have been transferred and dematerialized in an 'Unclaimed Suspense Account' of the Company in compliance with the Listing Regulations. This account is being maintained by the Company purely on behalf of the shareholders entitled for these shares.

It may also be noted that all the corporate benefits accruing on these shares like bonus, split etc., if any, shall also be credited to the said 'Unclaimed Suspense Account' and the voting rights on these shares shall remain frozen until the rightful owner has claimed the shares. Shareholders who have not yet claimed their shares are requested to immediately approach the Share Department of the Company or Registrar and Transfer Agent (RTA) by forwarding a request letter duly signed by all the shareholders furnishing their complete postal address along with PIN code, a copy of PAN card & proof of address, and for delivery in demat form, a copy of Demat Account - Client Master Report duly certified by the Depository Participant (DP) and a recent Demat Account Statement, to enable the Company to release the said shares to the rightful owner.

The status of equity shares lying in the Suspense Account as on March 31, 2018 is as under:

S. No.	Particulars	No. of share-holders	No. of equity shares held
1	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed suspense account as on September 12, 2017 (i.e. the date on which these unclaimed shares were transferred to suspense account in demat form)	2,269	5,05,459
2	Number of shareholders who approached the Company (with complete documentation) for transfer of shares from the Unclaimed Suspense Account during the year	12	4,685
3	Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year;	12	4,685
4	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year	2,257	500,774

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 appreciation of the contribution made by its management and its employees who through their competence and commitment have enabled the Company to achieve impressive growth. 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 Taurus Ventures Limited)

New Delhi
August 10, 2018

Rahul Khosla
Chairman
(DIN: 03597562)

Annexure 1

FORM NO. MGT 9**EXTRACT OF ANNUAL RETURN****As on financial year ended on March 31, 2018****Pursuant to Section 92 (3) of the Companies Act, 2013 ('the Act') and Rule 12(1) of the Company (Management & Administration) Rules, 2014.****I. REGISTRATION & OTHER DETAILS:**

CIN	L85100PB2015PLC039155
Registration Date	01-01-2015
Name of the Company	Max India Limited (formerly known as 'Taurus Ventures Limited')
Category/ Sub-category of the Company	Public Company Limited by Shares; Indian Non-Government Company
Address of the Registered office & Contact details	419, Bhai Mohan Singh Nagar, Village Railmajra, Tehsil Balachaur, District Nawanshahr, Punjab – 144 533 Phone : 01881-462000 Fax : 01881-273607 E-mail : investorhelpline@maxindia.com
Whether listed company	Yes, Listed Company
Name, Address & contact details of the Registrar & Transfer Agent, if any.	Mas Services Limited T-34, 2 nd Floor, Okhla Industrial Area Phase – II, New Delhi – 110020 Phone : 011- 26387281/82/83 Fax : 011 – 26387384 E-mail : info@masserv.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sr. No.	Name and Description of main products/services	NIC code of the product/services	%age of total turnover of the Company
1.	Shared Services	70200- Management Consultancy activities	60.08%
2.	Investment Activity	64300- Trusts, Funds and other Financial Vehicles	39.92%
3.	Investing in Subsidiaries	64200- Activities of Holding Companies	Nil

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

The Company doesn't have any Holding Company.

As on March 31, 2018, the Company has following Subsidiaries and Associate Companies:

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

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
3.	Antara Purukul Senior Living Limited Antara Senior Living Guniyal Gaon, P.O. Sinola Dehradun Dehradun, UR 248003	U74120UR1995PLC018283	Step down Subsidiary	100%	2 (87) of the Act.
4.	Antara Gurgaon Senior Living Limited. Max House 1, Dr. Jha Marg, Okhla New Delhi – 110 020.	U74140DL2012PLC244411	Step down Subsidiary	100%	2 (87) of the Act.
5.	Pharmax Corporation Limited Bhai Mohan Singh Nagar Railmajra, Tehsil Balachaur Dist. Nawanshahr Punjab – 144 533.	U24232PB1989PLC009741	Subsidiary	85.17%	2 (87) of the Act.
6.	Max Skill First Limited (formerly Max Healthstaff International Limited) Max House 1, Dr. Jha Marg, Okhla New Delhi – 110 020.	U85199DL2003PLC119249	Subsidiary	100%	2 (87) of the Act.
7	Max One Distribution and Services Limited Max House 1, Dr. Jha Marg, Okhla New Delhi – 110 020.	U74140DL2013PLC254577	Step down Subsidiary	100%	2 (87) of the Act.
8.	Max Ateev Limited Max House 1, Dr. Jha Marg, Okhla New Delhi – 110 020.	U74899DL1994PLC060700	Subsidiary	100%	2 (87) of the Act.
9.	Max UK Limited Coveham House, Downside Bridge Road Cobham, Surrey KT11 3EP United Kingdom	NA	Subsidiary	100%	2 (87) of the Act.
10.	Max Healthcare Institute Limited N-110, Panchsheel Park, New Delhi-110017	U72200DL2001PLC111313	Associate Company	49.70%	2 (6) of the Act.

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

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	6287622	0	6287622	2.35	6287622	0	6287622	2.34	-0.01
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	103667476	0	103667476	38.79	103667476	0	103667476	38.63	-0.16
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	109955098	0	109955098	41.14	109955098	0	109955098	40.97	-0.17
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	54028966	5565	54034531	20.22	46922444	0	46922444	17.48	-2.74
b) Banks / FI	168063	14450	182513	0.07	83560	13250	96810	0.04	-0.03
c) Alternate Investment Funds	-	-	-	-	2004598	0	2004598	0.75	0.75
d) Central Govt	-	-	-	-	-	-	-	-	-
e) State Govt(s)	-	-	-	-	-	-	-	-	-
f) Venture Capital Funds	-	-	-	-	-	-	-	-	-
g) Insurance Companies	0	45750	45750	0.02	0	45750	45750	0.02	0.00
h) FIs	23707707	55	23707762	8.87	14929628	0	14929628	5.56	-3.31
i) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
j) Foreign Portfolio Investors	33731499	-	33731499	12.62	50854176	0	50854176	18.95	6.33
k) Others (specify) FDI	25422763	-	25422763	9.51	8261049	0	8261049	3.08	-6.43
Sub-total (B)(1):-	137058998	65820	137124818	51.31	123055455	59000	123114455	45.87	-5.44
2. Non- Institutions									
a) Bodies Corp.									
i) Indian	2172135	68156	2240291	0.84	13616032	59251	13675283	5.10	4.26
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	13226556	2075323	15301879	5.72	14985228	1468689	16453917	6.13	0.41
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	1101362	0	1101362	0.41	2090425	0	2090425	0.78	0.37
c) Others (specify)									
Non Resident Indians	730952	35967	766919	0.29	1179197	17295	1196492	0.45	0.16
Overseas Corporate Bodies	518	0	518	0.00	518	0	518	0.00	0.00
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	2684458	1000	269458	0.10	283155	0	283155	0.11	0.01
Trusts	1400	0	1400	0.00	2400	0	2400	0.00	0.00

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Foreign Bodies – D R	-	-	-	-	-	-	-	-	-
Directors & their relatives	508306	0	508306	0.19	1611322	0	1611322	0.60	0.41
Sub-total (B)(2):-	18009687	2180446	20190133	7.55	33768277	1545235	35313512	13.16	5.61
Total Public Shareholding (B)=(B)(1)+ (B)(2)	155068685	2246266	157314951	58.86	156823732	1604235	158427967	59.03	0.17
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	265023783	2246266	267270049	100.00	266778830	1604235	268383065	100.00	0.00

B) Shareholding of Promoter-

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 31-March-2017]			Shareholding at the end of the year [As on 31-March-2018]			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr. Analjit Singh	5876789	2.20	0.00	5876789	2.19	0.00	-0.01
2	Mrs. Neelu Analjit Singh	100000	0.04	0.00	100000	0.04	0.00	0.00
3	Ms. Piya Singh	110333	0.04	0.00	110333	0.04	0.00	0.00
4	Mr. Veer Singh	100500	0.04	0.00	100500	0.04	0.00	0.00
5	Ms. Tara Singh Vachani	100000	0.04	0.00	100000	0.04	0.00	0.00
6	Liquid Investment & Trading Co. P. Ltd	23818876	8.91	49.80	23818876	8.87	95.77	-0.04
7	Mohair Investment & Trading Co. (P) Ltd.@	8086560	3.03	0.00	13690570	5.10	0.00	2.07
8	Boom Investments Pvt. Ltd.@	5604010	2.10	30.33	0.00	0.00	0.00	0.00
9	Max Ventures Investment Holdings Private Ltd.	66158030	24.75	19.92	66158030	24.65	98.94	-0.10

@ Boom Investments Pvt. Ltd merged with Mohair Investment and Trading Company Private Limited pursuant to the Scheme of Amalgamation sanctioned by the Hon'ble High Court of Delhi with effect from December 2, 2016. However, transfer of shares in the demat account of Mohair Investment and Trading Company was reflected post March 31, 2017, hence mentioned the shareholding of Boom Investment Pvt. Ltd at the beginning of the year i.e. March 31, 2017.

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

SN	Particulars	Shareholding at the beginning of the year [As on 31-March-2017]		Cumulative Shareholding during the year [As on 31-March-2018]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Analjit Singh				
	At the beginning of the year	58,76,789	2.20	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	58,76,789	2.19
2.	Mrs. Neelu Analjit Singh				
	At the beginning of the year	100,000	0.04	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	100,000	0.04
3.	Ms. Piya Singh				
	At the beginning of the year	110333	0.04	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	110,333	0.04
4.	Mr. Veer Singh				
	At the beginning of the year	100500	0.04	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	100,500	0.04
5.	Ms. Tara Singh Vachani				
	At the beginning of the year	100,000	0.04	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	100,000	0.04
6.	Liquid Investment & Trading Co. Pvt. Ltd				
	At the beginning of the year	2,38,18,876	8.92	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	2,38,18,876	8.87
7.	Mohair Investment & Trading Company Pvt. Ltd.@				
	At the beginning of the year	80,86,560	3.03	-	-
	Increase / Decrease in Shareholding during the year 02.12.2016@	56,04,010	2.10	1,36,90,570	5.13
	At the end of the year	-	-	1,36,90,570	5.10
8.	Boom Investments Private Limited@				
	At the beginning of the year	5604010	2.10	-	-
	Increase / Decrease in Shareholding during the year	(5604010)	2.10	0	0.00
	At the end of the year	-	-	0	0.00
9.	Max Ventures Investment Holdings Pvt Ltd				
	At the beginning of the year	6,61,58,030	24.75	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	6,61,58,030	24.65

@ Boom Investments Private Limited merged with Mohair Investment and Trading Company Private Limited pursuant to the Scheme of Amalgamation sanctioned by the Hon'ble High Court of Delhi with effect from December 2, 2016. However, transfer of shares in the demat account of Mohair Investment and Trading Company was reflected post March 31, 2017, hence mentioned the shareholding of Boom Investment Pvt. Ltd at the beginning of the year i.e. March 31, 2017.

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year [As on 31-March-2017]		Cumulative Shareholding during the Year [As on 31-March-2018]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Xenok Limited				
	At the beginning of the year	17161714	6.42	-	-
	Increase / Decrease in Shareholding during the year				
	07.04.2017	(273074)	0.10	16888640	6.32
	21.04.2017	(426426)	0.16	16462214	6.16
	28.04.2017	(346695)	0.13	16115519	6.03
	05.05.2017	(951898)	0.35	15163621	5.68
	19.05.2017	(670000)	0.26	14493621	5.42
	16.06.2017	(618397)	0.23	13875224	5.19
	23.06.2017	(13381603)	5.01	493621	0.18
	25.08.2017	(493621)	0.18	0	0
	At the end of the year	-	-	0	0.00
2.	HDFC Standard Life Insurance Company Limited @				
	At the beginning of the year	0	0	-	-
	30.06.2017	10333170	3.87	10333170	3.87
	07.07.2017	(810163)	0.30	9523007	3.57
	14.07.2017	(1029)	0.00	9521978	3.57
	21.07.2017	79	0.00	9522057	3.57
	04.08.2017	135	0.00	9522192	3.57
	11.08.2017	11162	0.00	9533354	3.57
	19.09.2017	(7150)	0.00	9526204	3.57
	22.09.2017	7150	0.00	9533354	3.57
	30.09.2017	998500	0.37	10531854	3.94
	06.10.2017	200000	0.07	10731854	4.01
	13.10.2017	200000	0.07	10931854	4.08
	20.10.2017	741	0.00	10932595	4.08
	03.11.2017	(2645)	0.00	10929950	4.08
	10.11.2017	(1050)	0.00	10928900	4.08
	17.11.2017	(212812)	0.08	10716088	4.00
	24.11.2017	(85844)	0.03	10630244	3.97
	22.12.2017	369	0.00	10630613	3.97
	26.01.2018	(142314)	0.05	10488299	3.92
	02.02.2018	(327987)	0.13	10160312	3.79
	09.02.2018	833	0.00	10161145	3.79
	16.02.2018	467	0.00	10161612	3.79
	23.02.2018	956	0.00	10162568	3.79
	23.03.2018	2118	0.00	10164686	3.79
	At the end of the year	-	-	10164686	3.79
3.	WF Asian Reconnaissance Fund Limited				
	At the beginning of the year	10160664	3.80	-	-
	Increase / Decrease in Shareholding during the year	0	0	0	0
	At the end of the year	-	-	10160664	3.79
4.	International Finance Corporation				
	At the beginning of the year	8261049	3.09	-	-
	At the end of the year	-	-	8261049	3.08

@ become member with effect from June 30, 2017

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year [As on 31-March-2017]		Cumulative Shareholding during the Year [As on 31-March-2018]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5.	GS Mace Holdings Limited				
	At the beginning of the year	7505458	2.81	-	-
	Increase / Decrease in Shareholding during the year				
	07.04.2017	(394576)	0.15	7110882	2.66
	14.04.2017	(13272)	0.00	7097610	2.66
	21.04.2017	(496296)	0.19	6601314	2.47
	05.05.2017	(946263)	0.35	5655051	2.12
	12.05.2017	(218610)	0.08	5436441	2.04
	19.05.2017	(1291873)	0.48	4144568	1.56
	16.06.2017	(256418)	0.09	3888150	1.47
	30.06.2017	(271014)	0.10	3617136	1.37
	07.07.2017	(102758)	0.04	3514378	1.33
	25.08.2017	(374000)	0.15	3140378	1.18
	01.09.2017	(116997)	0.05	3023381	1.13
	08.09.2017	(133515)	0.05	2889866	1.08
	15.09.2017	(134483)	0.05	2755383	1.03
	22.09.2017	(36463)	0.01	2718920	1.02
	30.09.2017	(461287)	0.18	2257633	0.84
	06.10.2017	(1838000)	0.68	419633	0.16
	13.10.2017	(419633)	0.16	0	0.00
	At the end of the year	-	-	0	0.00
6.	Government of Singapore - E				
	At the beginning of the year	6641554	2.48	-	-
	Increase / Decrease in Shareholding during the year				
	15.12.2017	(117066)	0.04	6524488	2.44
	22.12.2017	(262525)	0.10	6261963	2.34
	29.12.2017	(198761)	0.07	6063202	2.27
	05.01.2018	(180916)	0.07	5882286	2.20
	12.01.2018	(1112402)	0.41	4769884	1.79
	19.01.2018	(1069211)	0.40	3700673	1.39
	26.01.2018	(315179)	0.12	3385494	1.27
	02.02.2018	(605610)	0.23	2779884	1.04
	09.02.2018	(45000)	0.02	2734884	1.02
	At the end of the year	-	-	2734884	1.02
7.	Reliance Capital Trustee Co. Ltd. A/C Reliance Equity Opportunities Fund				
	At the beginning of the year	5578979	2.09	-	-
	Increase / Decrease in Shareholding during the year				
	14.04.2017	1807	0.00	5580786	2.09
	At the end of the year	-	-	5580786	2.08
8.	Nomura Singapore Limited				
	At the beginning of the year	5017297	1.88	-	-
	Increase / Decrease in Shareholding during the year				
	05.05.2017	(5807)	0.00	5011490	1.88
	09.06.2017	732	0.00	5012222	1.88
	07.07.2017	(39013)	0.02	4973209	1.86
	04.08.2017	(5731)	0.00	4967478	1.86
	08.09.2017	(78849)	0.04	4888629	1.82
	At the end of the year	-	-	4888629	1.82

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year [As on 31-March-2017]		Cumulative Shareholding during the Year [As on 31-March-2018]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
9.	Reliance Capital Trustee Co. Ltd. A/C Reliance Pharma Fund				
	At the beginning of the year	4100000	1.53	-	-
	Increase / Decrease in Shareholding during the year				
	26.05.2017	(90467)	0.03	4009533	1.50
	02.06.2017	(400000)	0.15	3609533	1.35
	09.06.2017	(40000)	0.02	3569533	1.33
	16.06.2017	(725000)	0.27	2844533	1.06
	At the end of the year	-	-	2844533	1.06
10.	Target Value Fund				
	At the beginning of the year	3248497	1.21	-	-
	Increase / Decrease in Shareholding during the year				
	26.05.2017	26830	0.01	3275327	1.22
	02.06.2017	82241	0.03	3357568	1.25
	09.06.2017	239000	0.09	3596568	1.34
	30.06.2017	56400	0.02	3652968	1.36
	07.07.2017	85305	0.03	3738273	1.39
	14.07.2017	500000	0.19	4238273	1.58
	21.07.2017	195070	0.07	4433343	1.65
	28.07.2017	120578	0.04	4553921	1.69
	04.08.2017	18325	0.00	4572246	1.69
	11.08.2017	54281	0.02	4626527	1.71
	18.08.2017	199950	0.07	4826477	1.78
	25.08.2017	152312	0.06	4978789	1.84
	08.09.2017	68709	0.02	5047498	1.86
	19.09.2017	65334	0.02	5112832	1.88
	22.09.2017	1063041	0.40	6175873	2.28
	30.09.2017	79188	0.03	6255061	2.31
	06.10.2017	206598	0.08	6461659	2.39
	13.10.2017	185477	0.07	6647136	2.46
	27.10.2017	12573	0.00	6659709	2.46
	24.11.2017	(7182)	0.00	6652527	2.46
	08.12.2017	(21615)	0.00	6630912	2.46
	15.12.2017	(5480)	0.00	6625432	2.46
	12.01.2018	(632805)	0.23	5992627	2.23
	19.01.2018	(73729)	0.03	5918898	2.20
	26.01.2018	167274	0.06	6086172	2.26
	At the end of the year	-	-	6086172	2.26
11.	DORIC Asia Pacific Small Cap (Mauritius) Limited				
	At the beginning of the year	2261363	0.85	-	-
	Increase / Decrease in Shareholding during the year				
	23.02.2018	800000	0.30	3061363	1.15
	02.03.2018	500000	0.18	3561363	1.33
	16.03.2018	1124183	0.42	4685546	1.75
	23.03.2018	500000	0.18	5185546	1.93
	At the end of the year	-	-	5185546	1.93

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year [As on 31-March-2017]		Cumulative Shareholding during the Year [As on 31-March-2018]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
12.	#L&T Mutual Fund Trustee Limited – L&T Emerging Businesses Fund				
	At the beginning of the year	-	-	-	-
	Increase / Decrease in Shareholding during the year				
	05.05.2017	1050000	0.39	1050000	0.39
	12.05.2017	50000	0.02	1100000	0.41
	02.06.2017	79539	0.03	1179539	0.44
	09.06.2017	95961	0.03	1275500	0.47
	16.06.2017	10000	0.00	1285500	0.47
	23.06.2017	60000	0.02	1345500	0.49
	30.06.2017	231100	0.09	1576600	0.58
	07.07.2017	127822	0.05	1704422	0.63
	18.08.2017	377278	0.14	2081700	0.77
	24.11.2017	389400	0.14	2471100	0.91
	01.12.2017	32865	0.01	2503965	0.92
	08.12.2017	481935	0.18	2985900	1.10
	15.12.2017	375984	0.14	3361884	1.24
	09.02.2018	52962	0.02	3414846	1.26
	09.03.2018	243271	0.09	3658117	1.35
	16.03.2018	97083	0.05	3755200	1.40
	At the end of the year	-	-	3755200	1.40
13.	UTI – Balanced Fund				
	At the beginning of the year	1026194	0.38	-	-
	Increase / Decrease in Shareholding during the year				
	14.04.2017	100000	0.04	1126194	0.42
	19.05.2017	100000	0.04	1226194	0.46
	26.05.2017	75000	0.03	1301194	0.49
	30.06.2017	100000	0.04	1401194	0.53
	21.07.2017	113153	0.04	1514347	0.57
	11.08.2017	62677	0.02	1577024	0.59
	25.08.2017	26476	0.01	1603500	0.60
	01.09.2017	100000	0.04	1703500	0.64
	08.09.2017	175824	0.06	1879324	0.70
	19.09.2017	100000	0.04	1979324	0.74
	06.10.2017	97604	0.04	2076928	0.78
	10.11.2017	200000	0.07	2276928	0.85
	01.12.2017	100000	0.04	2376928	0.89
	12.01.2018	300000	0.11	2676928	1.00
	19.01.2018	300000	0.11	2976928	1.11
	02.02.2018	200000	0.07	3176928	1.18
	09.02.2018	45000	0.01	3221928	1.19
	16.02.2018	200000	0.07	3421928	1.26
	23.02.2018	225000	0.08	3646928	1.34
	09.03.2018	150000	0.05	3796928	1.39
	16.03.2018	335000	0.13	4131928	1.52
	23.03.2018	100000	0.05	4231928	1.57
	At the end of the year	-	-	4231928	1.57

become member with effect from May 5, 2017

E) Shareholding of Directors and Key Managerial Personnel:

Sl. No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year [As on 31-March-2017]		Cumulative Shareholding during the year [As on 31-March-2018]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Mohit Talwar, Managing Director				
	At the beginning of the year	35,438	0.13	-	-
	Increase / Decrease in Shareholding during the year				
	10.04.2017 @	23,900	0.01	59,338	0.02
	11.08.2017 @	2,21,500	0.08	2,80,838	0.10
	10.11.2017 @	6,348	0.00	2,87,186	0.10
	At the end of the year	-	-	2,87,186	0.10
2.	Mr. Rahul Khosla, Chairman				
	At the beginning of the year	2,35,718	0.09	-	-
	Increase / Decrease in Shareholding during the year				
	11.08.2017 @	6,65,000	0.25	900718	0.34
	19.08.2017 @	1,86,268	0.07	10,86,986	0.41
	At the end of the year	-	-	10,86,986	0.41
3.	Mr. Ashwani Windlass, Director				
	At the beginning of the year	1,62,850	0.06	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	1,62,850	0.06
4.	Ms. Tara Singh Vachani, Director				
	At the beginning of the year	100,000	0.04	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	100,000	0.04
5.	Mr. Jatin Khanna - CFO				
	At the beginning of the year	11,750	0.00	-	-
	Increase / Decrease in Shareholding during the year				
	10.04.2017 @	5,000	0.00	16,750	0.00
	At the end of the year	-	-	16,750	0.00
6.	Mr. V. Krishnan - CS				
	At the beginning of the year	10,100	0.00	-	-
	Increase / Decrease in Shareholding during the year				
	10.04.2017 @	5,000	0.00	15,100	0.00
	At the end of the year	-	-	15,100	0.00

@ Allotment of equity shares under ESOP

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

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

S. N.	Particulars of Remuneration	Name of MD/ WTD/ Manager Mr. Mohit Talwar, MD	Total Amount (Rs.)
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,30,77,570	1,30,77,570
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961 except stock options	28,800	28,800
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option [^]	1,88,87,299	1,88,87,299
3	Sweat Equity	-	-
4	Commission		
	- as % of profit	-	-
	- others, specify...		
5	Others:		
	- Company Contribution to PF	-	-
	- Medical Rembursements	-	-
	- Medical Insurance Premium	-	-
	- Personal Accident Insurance Premium	-	-
	Total (A)	3,19,93,669	3,19,93,669
	Ceiling as per the Act	NA	

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

B. Remuneration (sitting fees) to other directors:

SN.	Particulars of Remuneration	Name of Directors						Total Amount (Rs.)
		Mr. Rahul Khosla (NED)	Mrs. Tara Singh Vachani (NED)	Dr. Dipankar Gupta (ID)	Mr. Ashok Kacker (ID)	Mr. Dinesh Kumar Mittal (ID)	Mr. Ashwani Windlass (NED)	
1	Independent Directors:							
	Fee for attending board committee meetings	--	--	17,00,000	30,00,000	14,00,000	--	61,00,000
	Commission	--	--	--	--	--	--	-
	Others, please specify	--	--	--	--	--	--	--
	Total	--	--	17,00,000	30,00,000	14,00,000	--	61,00,000
2	Other Non-Executive Directors:							
	Fee for attending board committee meetings	17,00,000	4,00,000	--	--	--	18,00,000	39,00,000
	Commission	--	--	--	--	--	--	--
	Others, please specify	--	--	--	--	--	--	--
	Total	17,00,000	4,00,000	--	--	--	18,00,000	39,00,000
	Total Remuneration	17,00,000	4,00,000	17,00,000	30,00,000	14,00,000	18,00,000	1,00,00,000

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

SI No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount (Rs.)
		CEO	Mr. V. Krishnan CS	Mr. Jatin Khanna CFO	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	94,44,776	82,02,698	1,76,47,474
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961 except stock options	-	32,400	39,600	72,000
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option^	-	36,80,300	36,80,300	73,60,600
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit				
	- others, specify...				

SI No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount (Rs.)
		CEO	Mr. V. Krishnan CS	Mr. Jatin Khanna CFO	
5	Others:				
	- Company Contribution to PF	-	4,12,608	3,60,138	7,72,746
	- Medical Remibursement		15,000	15,000	30,000
	- LTA		-	1,15,000	1,15,000
	- Medical Insurance Premium	-	65,100	65,100	1,30,200
	- Personal Accident Insurance Premium		450	450	900
	Total (A)	-	1,36,50,634	1,24,78,286	2,61,28,920

^ Perquisite value of stock options exercised during the year.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

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)

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	(Amt in Rs Lacs)	% of Shareholding
1	Max Bupa Health Insurance Co. Ltd.	31.03.2018	INR	92,600.00	(67,015.66)	82,083.76	56,499.42	66,578.84	62,943.71	2,283.98	-	2,283.98	-	-	51.00%
2	Pharmax Corporation Ltd	31.03.2018	INR	2,055.92	573.61	3,079.29	449.77	1,243.39	481.51	(24.80)	106.23	(131.03)	-	-	85.17%
3	Max Ateev Limited	31.03.2018	INR	3,144.36	(3,838.43)	13.15	707.22	-	-	(5.26)	-	(5.26)	-	-	100.00%
4	Max Skill First Ltd	31.03.2018	INR	969.50	(1,496.71)	3,013.29	3,540.50	560.00	4,490.37	266.44	56.86	209.58	-	-	100.00%
5	Max One Distribution and Services Ltd	31.03.2018	INR	560.00	(529.35)	31.96	1.31	-	19.39	17.74	2.39	15.35	-	-	100.00%
6	Antara Senior Living Ltd	31.03.2018	INR	29,071.42	(4,884.91)	25,251.46	1,064.95	24,257.38	93.81	(2,017.06)	-	(2,017.06)	-	-	100.00%
7	Antara Purukul Senior Living Ltd	31.03.2018	INR	24,142.71	(19,023.83)	54,084.56	48,965.67	-	1,517.98	(5,863.97)	-	(5,863.97)	-	-	100.00%
8	Antara Gurgaon Senior Living Ltd	31.03.2018	INR	5.00	(2.49)	2.91	0.40	-	-	(0.46)	-	(0.46)	-	-	100.00%
9	Max UK Ltd	31.03.2018	GBP	213.00	(43.07)	194.24	24.30	-	115.71	10.55	2.26	8.29	-	-	100.00%

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-18
(2) Shares of Associates/Joint Ventures held by the company on the year end	266,997,937 equity shares of Rs. 10/- each fully paid-up
Amount of Investment in Associates/Joint Ventures	70,569.55
Extend of Holding %	49.70%
(3) Description of how there is significant influence	Max India Ltd. holds 49.70% of share capital in Max Healthcare Institute Ltd.
(4) Reason why the associate/joint venture is not consolidated	NA
(5) Networth attributable to Shareholding as per latest audited Balance Sheet ^	51,246.15
(6) Profit/Loss for the year ^	(2,656.42)
i. Considered in Consolidation	(1,320.19)
ii. Not Considered in Consolidation	(1,336.23)
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 financials	

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

Mohit Talwar
(Managing Director)
DIN No - 02394694

Ashok Brijmohan Kocher
(Director)
DIN No. : 01647408

Jatin Khanna
(Chief Financial Officer)

V. Krishnan
(Company Secretary)

Place : New Delhi
Date : May 29, 2018

DIVIDEND DISTRIBUTION POLICY

Background:

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

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

Objective:

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

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

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

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

The profits being retained in the business shall be continued to be deployed in the Company and thus contributing to the growth to the business and operations of the Company. The Company stands

committed to deliver sustainable value to all its stakeholders.

Parameters for declaration of Dividend

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

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

External Factors

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

Circumstances under which the shareholders may or may not expect Dividend

The Company shall not recommend dividend if it is of the opinion that it is financially not prudent to do so. The shareholders of the Company may not expect Dividend under the following circumstances:

- In case the Company is undertaking significant expansion which would require higher allocation of resources
- If the Company requires significant amount of working capital to fund its future growth
- In case the Company proposes to utilise surplus

cash for buy-back of securities

- Whenever the Company undertakes any acquisitions or joint ventures requiring significant allocation of capital or in case the company expands its stake in any of these entities
- In the event of inadequacy of profits or whenever the Company has incurred losses

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

parameters laid down in this Policy.

Modification of the Policy

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

Disclosure:

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

APPOINTMENT CRITERIA, QUALIFICATION & REMUNERATION POLICY IN TERMS OF SECTION 178 OF THE COMPANIES ACT, 2013 ("THE ACT")

Preamble

In terms of Section 178 of the Act, the Nomination & Remuneration Committee ("NRC") shall formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel ("KMP") and other employees.

Appointment Criteria and Qualification

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

Remuneration Policy

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

Objective

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

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

Applicability

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

Guiding principle

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

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

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

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

- Equity-based remuneration would be higher for those at higher levels of responsibility and influence on long-term results
- Annual variable pay as a reward for achievement of short-term performance goals that support and ensure long-term success

Reflect value of job in the marketplace.

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

Performance Management & Remuneration

- Remuneration decisions are based on the outcomes of the annual performance review process, based on the G & M framework. The performance evaluation process has four key steps – Self Evaluation, Manager Evaluation, Potential Readiness Assessment and Developmental Planning
- Performance is assessed at two levels – Goals (G Review) and Competencies (M Review)
- G Rating determines Variable Pay, M Rating determines Fixed Pay increase
- Performance ratings are normalized in cohorts to adhere to an overall normal distribution
- Individual and manager discussions
- Multi rater feedback - July
 - o Feedback for individuals using a 360 survey process once in 2 years
 - o Annual Engagement survey providing feedback on organization and people managers
- Development Planning & Mid-year performance review - Sept.
 - o Basis performance review discussions, inputs from Hogan assessment & 360 feedback
 - o Organization wide Talent and Succession planning & review - Oct. / Nov.
 - o In depth functional planning & review including inputs from 360, engagement survey, supervisor, peer feedback, development planning
 - o Organization wide consolidation

Potential, Development & Readiness

- Performance Review, Career Aspirations - Feb. / March
- The above is a key input for the annual & long term strategic business planning in Dec./Jan.

REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

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

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

2. The Composition of the CSR Committee.

The CSR Committee as on March 31, 2018 comprised of independent directors, viz., Mr. Ashok Kacker, Prof. Dipankar Gupta and Mr. Dinesh Kumar Mittal. The Committee currently, comprises of Mr. Ashok Kacker, Mr. Dinesh Kumar Mittal and one non-executive director namely Mrs. Tara Singh Vachani.

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

Rs.1158.65 Lakhs

(The Company was incorporated on January 1, 2015 and hence, the average net profits for the first two financial years ended on March 31, 2017 were taken into consideration for determining the CSR Spends for the year ended March 31, 2018.)

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

Rs.23.18 Lakhs for the financial year ended March 31, 2018.

5. Details of CSR spent during the financial year 2017-18:

- a) Total amount to be spent for the financial year 2017-18 : *Rs. 23.44 Lakhs*
- b) Amount unspent, if any: Nil
- c) Manner in which the amount spent during the financial year is detailed below :

Sl. No	CSR project or Activity identified	Sector in which the project is covered	Projects or Programs (1) Local area or Other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or programs wise (Rs. Lakhs)	Amount spent on the projects or programs Sub-heads: (Rs. Lakhs)		Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
					Direct expenditure on Project/ Programme	Overheads		
1	Health Centre – Activities carried out: - Medicines for health centre - Maintenance of Health Camps - Cleanliness of surrounding area roads	Healthcare	Purkul Village-Dehradun, Uttarakhand	5.18	5.18	Nil	5.18	Max India Foundation

Sl. No	CSR project or Activity identified	Sector in which the project is covered	Projects or Programs (1) Local area or Other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or programs wise (Rs. Lakhs)	Amount spent on the projects or programs Sub-heads: (Rs. Lakhs)		Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
					Direct expenditure on Project/ Programme	Overheads		
2	NGO work on Healthcare Platform- <u>Activities carried out:</u> - Nutrition for Village children at Purkal Youth Development Society - Dehradun (English medium school for underprivileged) - Solar Light Theft System	Healthcare	Chandrothi Village, Dehradun Uttarakhand	9.00	9.00	Nil	9.00	Max India Foundation
3	Village Adoption- <u>Activities carried out:</u> - Environment maintenance and Upgradation	Rural Development	Chandrothi Village, Dehradun Uttarakhand	9.00	9.00	Nil	9.00	
4	Amount brought forward from last financial year (unspent CSR expenditure FY 2016-17) <u>Activities carried out:</u> - Eye glasses for patients at Eye camp	Rural Development for community	Chandrothi Village, Dehradun, Uttarakhand	0.26	0.26	Nil	0.26	
TOTAL				23.44	23.44	NIL	23.44	

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

Not Applicable as the money earmarked for CSR was already spent.

7. Responsibility statement:

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

Mohit Talwar
Managing Director
DIN: 02394694

Ashok Kacker
Chairman of CSR Committee
DIN: 01647408

August 10, 2018
New Delhi

annexure-6(a)

Particulars of Employees

INFORMATION AS PER SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 2018

Sr. No.	Name	Age (Yrs.)	Designation	Nature of duties	Remuneration (In Rs.)	Qualification	Date of Commencement of employment	Experience (Yrs.)	Last Employment Held Organisation	Position held
Details of top ten employees in terms of remuneration, including all employees who were in receipt of remuneration of (A) Rs. 102,00,000/- per annum or more, OR (B) Rs. 8,50,000/- per month if employed for part of the year										
A.	Employed throughout the year									
1	Basu, Shahana	50	Director - Legal & Regulatory Affairs	Legal & Regulatory Affairs	18,937,827	Degree of Juris Doctor from Yale Law School, Connecticut and M.A. Sociology from University of Chicago	01.02.2016	19	Amira Pure Foods Pvt. Ltd.	Global General Counsel
2	Chadha, Pradeep Pal	51	Dy. Director - Finance & Treasury	Finance & Treasury	8,012,208	B. Com (Hons) LLB, CA	15.01.2016	24	Max Financial Services Limited (formerly known as Max India Limited)	Deputy Director- Finance & Treasury
3	Dwarakanath, Parnam	71	Head - Group Human Capital	Group Human Resources	31,793,428	B. Sc., LL.B., PGDM (PM & IR)	15.01.2016	48	Max Financial Services Limited (formerly known as Max India Limited)	Director - Group Human Capital
4	Hokote, Pashant	52	Senior Director - Quality & Service Excellence	Quality & Service Excellence	16,729,896	BSc. Diploma in Computer Science & Management, Certified Trainer & Facilitator from the Juran Institute, INC, USA	15.01.2016	31	Max Financial Services Limited (formerly known as Max India Limited)	Sr. Director - Quality & Service Excellence
5	Krishnan, V.	54	Company Secretary	Company Secretary	13,641,559	B.Com. FCS	15.01.2016	33	Max Financial Services Limited (formerly known as Max India Limited)	Company Secretary
6	Khanna, Jatni	39	Chief Financial Officer	Finance	12,769,324	CA, PGPMAX-ISB	15.01.2016	18	Max Financial Services Limited (formerly known as Max India Limited)	Associate Director - Corporate Development
7	Narang, Dilbagh Singh	47	Director - Taxation	Taxation	9,408,986	B. Com, CA	15.01.2016	20	Max Financial Services Limited (formerly known as Max India Limited)	Deputy Director- Taxation
8	Raj Rishi	41	Director - Strategy & Corporate Development	Strategy & Corporate Development	13,644,169	PGDBM, B.A. (Hons) Economics	14.04.2016	19	McKinsey & Company	Senior Practice Manager (COO) of Strategy and Trends Analysis Center
9	Talwar, Mohit	58	Managing Director	General Management	31,994,074	Post Graduate (Arts), Post Graduate (Hospitality Management)	15.01.2016	39	Max Financial Services Limited (formerly known as Max India Limited)	Deputy Managing Director
10	Thakur, Nitin	44	Director - Brand & Communication	Communication	10,708,099	B. Com, PGDBM	15.01.2016	21	Max Financial Services Limited (formerly known as Max India Limited)	Director- Brand & Communications
B.	Employed for part of the year : NIL									

Notes:

- 1 Remuneration includes salary, allowances, value of rent free accommodation, bonus, value of ESOPs exercised, medical expenses, leave travel assistance, personal accident and health insurance, Company's contribution to Provident, Pension, Gratuity and Superannuation fund, leave encashment and value of perquisites, as applicable.
- 2 None of the above employees is a relative of any director of the Company.
- 3 All appointments are/were contractual in accordance with the terms and conditions as per Company Rules/Policies.
- 4 Mr. Mohit Talwar holds 3.15467 equity shares constituting 0.12% of the equity share capital of the Company as of the date of this report.
- 5 None of the above employees hold 2% or more equity shares of the Company, by himself/herself or alongwith his/her spouse and dependent children.

New Delhi

August 10, 2018

Rahul Khosla
Chairman
DIN: 03597562

Annexure 6(b)**Information required under Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, is appended below:**

- (i) Ratio of remuneration of each Director to the median remuneration of all employees of the Company for the financial year 2017-18 is as follows:

Mr. Mohit Talwar: 15.4 : 1

- (ii) Percentage increase in the remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year 2017-18 is as follows:

Name	Designation	% Increase in Remuneration in FY17-18 vs. FY16-17
Mr. Mohit Talwar *	Managing Director	80.6%
Mr. Jatin Khanna **	Chief Financial Officer	27.3%
Mr. V. Krishnan ***	Company Secretary	20.5%

Note:

- 1) Non-executive Directors have been receiving remuneration in the form of Sitting Fees for attending the meetings of Board of directors or committee thereof, therefore their remuneration details have not been considered while disclosing particulars under S. No. (i) and (ii) above.
 - 2) * Mr. Mohit Talwar's remuneration includes perquisite value of Rs.1.89 crores being the ESOPs exercised during the year under review against the ESOPs granted earlier (Corresponding value in FY 2017 was Rs.0.49 crores).
 - 3) ** Mr. Jatin Khanna's remuneration includes the performance bonus for both FY 2017 and FY 2018 and the perquisite value of Rs.36.8 Lakhs being the ESOPs exercised during the year under review.
 - 4) *** Mr. V.Krishnan's remuneration includes perquisite value of Rs.36.8 Lakhs being the ESOPs exercised during the year under review
- (iii) The Percentage increase in the median remuneration of all employees in the financial year 2017-18 was 8.54% (including the remuneration of MD).
- (iv) The number of permanent employees on the rolls of the Company as on March 31, 2018 was 51 (including MD).
- (v) The average percentage increase in salaries of employees other than managerial personnel (and including the impact of ESOPs exercised) in the financial year 2017-18 was 13.9 %
- (vi) The Company confirms that remuneration paid during the financial year 2017-18, is as per the Remuneration Policy of the Company.

During Financial year 2017-18, the Company did not have any employee who received remuneration in excess of Director(s) and held 2% or more of the equity shares in the Company along with spouse and/or dependent children.

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2018

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

To,
The Members,
Max India Limited
(Formerly known as 'Taurus Ventures Limited')
(CIN: L85100PB2015PLC039155)
419, Bhai Mohan Singh Nagar, Village Railmajra,
Tehsil Balachaur, Nawanshahr
Punjab-144533

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Max India Limited** (formerly known as 'Taurus Ventures Limited') (hereinafter called "the Company") for the year ended March 31, 2018. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

We report that-

- a) Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- c) We have not verified the correctness and appropriateness of the financial statements of the Company.
- d) Wherever required, we have obtained the Management representation about the compliances of laws, rules, regulations and standards and happening of events etc.
- e) The compliance of the provisions of the corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- f) The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Audit Period according to the provisions of:-

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (wherever applicable);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (e) *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;
- (g) *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (h) *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We have also examined compliance with the applicable clauses of the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

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

- (vi) The Company is having investment in various Subsidiaries and a Joint venture Company and primarily engage in growing and nurturing these business investments and providing shared services to various group companies.

We have checked the compliance management system of the Company to obtain reasonable assurance about the adequacy of systems in place to ensure compliance of specifically applicable laws and this verification was done on test basis. We believe that the audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to explanations given to us, we believe that the compliance management system of the Company is adequate to ensure compliance of laws specifically applicable to the Company.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No changes in the Board of

Directors that took place during the period under review.

Adequate notices were given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent in advance of the meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

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

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

We further report that during the Audit Period the Shareholders of the Company in their Extra Ordinary General Meeting held on 10th June, 2017 passed a Special Resolution for raising funds through preferential issue of 1,93,84,854 (One Crore Ninety Three Lakh Eighty Four Thousand Eight Hundred and Fifty Four) Convertible Warrants to Mohair Investment And Trading Company Private Limited (a promoter group Company) with a right to apply for and get one equity share of face value of Rs. 2/- (Rupees Two Only) each for each warrant, with in a period of 18 (Eighteen) Months from the date of allotment of Warrants at a price of Rs. 154.76/- (Rupees One Hundred Fifty Four and Paise Seventy Six Only) aggregating to Rs. 300,00,00,005.04/- (Rupees Three Hundred Crore and Five and Paise Four Only) or such higher price as may be arrived at in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009.

We further report that during the Audit Period, pursuant to the disclosure made by the Company with Stock Exchanges on 31st July, 2017, the Composite Scheme of Amalgamation and Arrangement amongst the Company, Max Life Insurance Company Limited, HDFC Standard Life Insurance Company Limited and Max Financial Services Limited, and their respective shareholders and creditors scheme has been withdrawn.

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

Devesh Kumar Vasisht
Partner
CP No.: 13700

10th August, 2018
New Delhi

BUSINESS RESPONSIBILITY REPORT

Financial Year 2017-18

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

- Corporate Identity Number (CIN) of the Company :** L85100PB2015PLC039155
- Name of the Company :** Max India Limited (Formerly 'Taurus Ventures Limited')
- Registered address:** 419, Bhai Mohan Singh Nagar, Village Railmajra, Tehsil Balachaur, District Nawanshahr, Punjab – 144533
- Website:** www.maxindia.com
- E-mail id:** corpsecretarial@maxindia.com
- Financial Year reported:** FY 2017-18
- Sector(s) that the Company is engaged in (industrial activity code-wise):**

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

- List three key products/services that the Company manufactures/provides (as in balance sheet):**

- Management Consultancy Services
- Investing Activities
- Investing in Subsidiaries and Joint Venture Company

- Total number of locations where business activity is undertaken by the Company:**

The Company operates from its Corporate Office at New Delhi.

- Markets served by the Company:**

Being a Holding Company, the Company is having investments in various subsidiaries and joint ventures and primarily engaged in growing and nurturing these business investments and providing management consultancy/ shared services to group companies in India only. One of the Wholly-owned subsidiaries (WOS) of the Company namely Max UK Limited operates in UK.

SECTION B : FINANCIAL DETAILS OF THE COMPANY

- Paid-up capital :** Rs. 53.67 crore
- Total turnover** (revenue from operations) : Rs. 66.32 crore
- Total profit after tax** (PAT): Rs. 6.31 crore
- Total spending on CSR as percentage of profit after tax :** Rs.23.44 Lakhs, being 2% of Average net profits of the Company under section 198 of the Companies Act, 2013 for last three financial years.(Rs.23.44 Lakhs includes Rs.0.26 Lakhs i.e. unspent CSR Expenditure for FY 2016-17)
- List of the activities in which expenditure in 4 above has been incurred :** Please refer Annexure-5 of Board's Report

SECTION C: OTHER DETAILS

- Does the Company have any Subsidiary Company/ Companies? :** Yes
- Do the Subsidiary Company/Companies participate in the BR initiatives of the Parent Company? If yes, then indicate the number of such Subsidiary Company(s):** The Company encourages all its operating subsidiaries to follow similar practices for Corporate Governance as the Parent Company does.
- Do any other entity/entities (e.g., suppliers, distributors, etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities [Less than 30%, 30-60%, More than 60%]:** No

SECTION D : BR INFORMATION

1. **Details of Director(s) responsible for BR :**
DIN: 02394694
Name: Mr. Mohit Talwar, Managing Director
2. **Details of the BR head :**
Name : Mr. Jatin Khanna, Chief Financial Officer
Telephone number: (011) 42598000, Email ID: jkhanna@maxindia.com
3. **Principle-wise BR policy/policies:** Included in this report
4. **Governance related to BR :** Included in this report

PREFACE

As mandated by Securities and Exchange Board of India (SEBI), India's top 500 listed entities based on market capitalisation as at March 31, 2017 on the BSE and NSE, are required to submit a 'Business Responsibility Report' (BRR) along with their Annual Report for 2017-18.

The Company presents its first BRR in line with the requirements of SEBI. This BRR provides information on key initiatives undertaken by the Company and / or its subsidiaries.

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

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

SECTION E: PRINCIPLE-WISE PERFORMANCE**Principle 1 - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability**

1. **Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?**

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

The Company also encourages its subsidiaries to follow these policies.

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

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

During the financial year ended March 31, 2018, seven (7) complaints / queries were received by the Company from the shareholders, which were general in nature viz. (i) non receipt of shares after dematerialization and (ii) non-receipt of annual report, all of those were resolved to the satisfaction of the respective shareholders.

Principle 2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

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

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

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

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

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?**

The Company, being a holding Company, is relatively less resource intensive in terms of material inputs. Our major material requirements are office, communications and IT related equipment. Despite the limited scope of our procurement needs, we continue to take initiatives to ensure responsible sourcing in all respects. We have a Code of Conduct for our senior employees and business associates, which outlines our expectations from them and ethical business practices. Therefore, it is not possible to ascertain the percentage of inputs that are sourced sustainably.

4. **Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

Yes - Materials pertaining to office stationary, IT consumables are purchased from local vendors. The Company, from time-to-time takes initiatives for upgrading skills of housekeeping and security staff.

5. **Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (as <5%, 5–10%, >10%).**

Used batteries are regularly given to authorised vendors for recycling in exchange of new batteries. Further, metal scrap is sold to our empanelled scrap dealers at best competitive quotes. It is difficult to arrive at %age of recycle products and wastes.

Principle 3 - Businesses should promote the wellbeing of all employees

1. **Please indicate the total number of employees:** 51 Permanent Employees as on 31 March 2018
2. **Please indicate the total number of employees hired on temporary / contractual / casual basis:** 2 Employees on Fixed Term Contract and 5 Retainers / Consultants as on 31 March 2018.
3. **Please indicate the number of permanent women employees** - 15 Permanent Female Employees as on 31 March 2018.
4. **Please indicate the number of permanent employees with disabilities:** NIL
5. **Do you have an employee association that is recognised by management?** : No
6. **What percentage of your permanent employees is members of this recognized employee association?** : Not Applicable
7. **Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year** : Nil
8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**
 - **Permanent Employees:** Approximately 45.1% employees participated in Classroom Training Sessions and 88.2% employees had access to Virtual/Online Learning
 - **Permanent Women Employees:** Approximately 80% Female employees participated in Classroom Training Sessions and also had access to Virtual/Online Learning
 - **Casual/Temporary/Contractual Employees:** Approximately 100% Fixed Term Contractual employees participated in Classroom Training Sessions and had access to Virtual / Online Learning
 - **Employees with Disabilities:** Not Applicable

Principle 4 - Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized**1. Has the Company mapped its internal and external stakeholders?**

Yes. Employees and the Board of directors are the internal stakeholder group while Subsidiaries /JV Companies, shareholders, investors, regulators, vendors and the community in the vicinity of our projects are primarily the external stakeholder groups of the Company.

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?

Yes

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders

Yes, the Company regularly undertakes initiatives to engage with its internal and external stakeholders. The Company has processes in place to ensure upholding of the rights of its employees and protect them against any form of discrimination. Regular learning and development activities are being carried out for employees for their skill enhancement. The Company also has robust mechanisms in place which ensures full, fair, accurate, timely and understandable disclosures to all our Shareholders and investors.

Principle 5 - Businesses should respect and promote human rights**1. Does the policy of the Company on human rights cover only the Company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?**

The Company ensures that all its policies are complied with as per conventionally understood provisions of human rights. The Company policies such as whistle bower policy and prevention against sexual harassment of women at workplace are extended to all across the Group. We encourage our vendors and business associates to follow similar policies. There is no discrimination whatsoever in the Company on the basis of cast, creed, race, gender, religion or physical handicap.

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

The Company has not received any complaints from any stakeholders pertaining to human rights.

Principle 6 - Business should respect, protect, and make efforts to restore the environment**1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others**

The Company is committed to conduct its business in a manner that protects the natural environment. Being a Holding Company with no manufacturing operations, the Company doesn't have any adverse impact on environment.

2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

As stated above, the Company is not carrying out any manufacturing operations and therefore, it doesn't have any significant direct environmental impacts. However, regular efforts are made to conserve the energy through various means.

3. Does the Company identify and assess potential environmental risks? Y/N

Not Applicable for the reason stated in point no. 1 above.

4. Does the Company have any project related to Clean Development Mechanism? If Yes, whether any environmental compliance report is filed?

Not Applicable for the reason stated in point no. 1 above.

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.? Y/N. If yes, please give hyperlink for web page etc.

As stated in point no. 2 above.

6. Are the Emissions / Waste generated by the Company within the permissible limits given by CPCB / SPCB for the financial year being reported?

Not Applicable

7. **Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

Nil

Principle 7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. **Is your Company a member of any trade and chamber or association? If yes, name only those major ones that your business deals with**
 - a) Federation of Indian Chambers of Commerce and Industry (FICCI);
 - b) Confederation of Indian Industry (CII) and
 - c) International Market Assessments, India (IMA)
2. **Have you advocated / lobbied through above associations for the advancement or improvement of public good ? Yes / No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

We do not engage in lobbying activities but actively participate in forums that impact the interest of stakeholders in general in the broad areas of governance, sustainable business development, taxes, etc.

Principle 8 - Businesses should support inclusive growth and equitable development

- 1) **Does the Company have specified programs / initiatives / projects in pursuit of the policy related to Principle 8? If yes details thereof.**

CSR work of the Company primarily focuses on creating social inclusion and equitable development in the communities in the vicinity of Max Group Companies.

- 2) **Are the programs / projects undertaken through in-house team / own foundation / external NGO / government structures/any other organization?**

The programs are implemented through Max India Foundation, a CSR arm of the MAX Group.

- 3) **Have you done any impact assessment of your initiative?** No
- 4) **What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?**

The above details forms part of the report on Corporate Social Responsibility (CSR) Activities enclosed as Annexure- 5 to the Board's Report.

- 5) **Have you taken steps to ensure that this Community Development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

The Community development initiatives of the Company have been explained in detail Business Responsibility review section of Annual Report.

Principle 9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner

Being a Holding Company, the Company is having investments in various subsidiaries and Joint Venture Company and primarily engaged in growing and nurturing these business investments and providing management consultancy services to group companies and therefore, the Company does not have customers or consumers under the scope of this BRR.

1. **What percentage of Customer complaints/consumer cases are pending as on the end of financial year:**
Nil
2. **Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (additional information):** N.A.
3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year:** Nil
4. **Did your Company carry out any consumer survey / consumer satisfaction trends?:** No

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, 2018, the Statement of Profit and Loss and Cash Flow Statement for the year 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 Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. 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, 2018, 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 Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016;
- (e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone financial statements 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 Atul Seksaria

Partner

Membership Number: 086370

Place of Signature: Gurugram

Date: May 29, 2018

Annexure referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date.

Re: **Max India Limited (formerly Taurus Ventures Limited)** ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property plant and equipment.
- (b) Property plant and equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company and hence not commented upon.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 4(ii) of the Order are not applicable to the Company and hence not been commented upon.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a),(b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1)

of the Companies Act, 2013, for the services of the Company.

- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, sales-tax, service tax, goods and services act, value added tax, and other material statutory dues applicable to it. The provisions relating to duty of excise, employees' state insurance, duty of custom, cess are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, service tax, goods and services tax, value added tax, and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to duty of excise, employees' state insurance, duty of custom, cess are not applicable to the Company.
- (c) According to the information and explanations given to us, there are no dues of income tax, value added taxes, service tax, goods and services tax which have not been deposited on account of any dispute. The provisions related to employees' state insurance, duty of excise, duty of customs and are not applicable to the Company.
- viii) The Company did not have any outstanding dues in respect of debenture holders, financial institutions, banks, or government during the year.
- (ix) According to information and explanation given by the management, the Company has not raised any money by way of initial public offer/further public offer/debt instruments and term loans, hence reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) Based on our audit procedures performed for

the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given by the management, the Company has complied with the provisions of section 42 of the Companies Act 2013 in respect of the share warrants issued during the year. According to information and explanation given by the management, we report that the amount raised have been used for

the purpose for which the funds were raised though idle or surplus funds which were not required for immediate utilization have been gainfully invested in fixed deposits with banks and mutual funds. The maximum of the idle/ surplus funds invested during the year was Rs 7,500 lacs of which Nil is outstanding at the year end.

(xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Atul Seksaria

Partner

Membership Number: 086370

Place of Signature: Gurugram

Date: May 29, 2018

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MAX INDIA LIMITED (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")

We have audited the internal financial controls over financial reporting of Max India Limited (formerly Taurus Ventures Limited) ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls [based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone financial statements was established and maintained and if such controls

operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone financial

statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2018, [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 Atul Seksaria

Partner

Membership Number: 086370

Place of Signature: Gurugram

Date: May 29, 2018

BALANCE SHEET

as at March 31, 2018

		(Rs. in Lakhs)	
	Notes	As at March 31, 2018	As at March 31, 2017
Equity and liabilities			
Shareholders' funds			
Share capital	4	5,367.66	5,345.40
Reserves and surplus	5	159,821.17	158,424.47
Money Received against share Warrants	6	7,500.00	-
		172,688.83	163,769.87
Non-current liabilities			
Long-term provisions	8	316.12	265.51
		316.12	265.51
Current liabilities			
Trade payables	9	-	-
• Total outstanding dues of micro enterprises and small enterprises		-	-
• Total outstanding dues of creditors other than micro enterprises and small enterprises		115.59	165.05
Other current liabilities	9	372.38	209.23
Short-term provisions	8	191.72	159.13
		679.69	533.41
TOTAL		173,684.64	164,568.79
Assets			
Non-current assets			
Property, Plant and Equipment			
Tangible assets	11	254.41	276.33
Capital work-in- progress		134.08	-
Non-current investments	10	150,362.79	119,255.92
Deferred tax assets	7	-	-
Loans and advances	12	8,303.91	13,560.04
		159,055.19	133,092.29
Current assets			
Current investments	13	12,160.59	30,051.95
Cash and bank balances	14	47.97	60.59
Loans and advances	12	936.66	222.31
Trade receivables	15	1,483.32	1,141.65
Other current assets	16	0.91	-
		14,629.45	31,476.50
TOTAL		173,684.64	164,568.79
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 No.: 301003E/E300005****per Atul Seksaria**

Partner

Membership Number: 086370

For and on behalf of the Board of Directors of Max India Limited**Mohit Talwar**

(Managing Director)

DIN No - 02394694

Ashok Brijmohan Kacker

(Director)

DIN No. : 01647408

Jatin Khanna

(Chief Financial Officer)

V. Krishnan

(Company Secretary)

Place : Gurugram

Date : May 29, 2018

Place : New Delhi

Date : May 29, 2018

STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2018

		(Rs. in Lakhs)	
	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
Income			
Revenue from operations	17	6,632.57	5,162.49
Other income	18	0.54	5.12
Total revenue (I)		6,633.11	5,167.61
Expenses			
Employee benefits expense	19	2,523.59	2,404.30
Depreciation expense	21	86.99	80.18
Other expenses	20	2,613.91	2,628.53
Total expenses (II)		5,224.49	5,113.01
Profit before tax		1,408.62	54.60
Tax expense			
Current tax		807.48	339.37
Tax related to previous years		(29.94)	(26.70)
Total tax expense		777.54	312.67
Profit/(loss) after tax		631.08	(258.07)
Earnings per equity share	22		
[Nominal value of shares Rs. 2/- each]			
Basic (Rs.)		0.24	(0.10)
Diluted (Rs.)		0.23	(0.10)
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 No.: 301003E/E300005

per Atul Seksaria

Partner

Membership Number: 086370

Place : Gurugram

Date : May 29, 2018

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

Mohit Talwar

(Managing Director)

DIN No - 02394694

Jatin Khanna

(Chief Financial Officer)

Place : New Delhi

Date : May 29, 2018

Ashok Brijmohan Kacker

(Director)

DIN No. : 01647408

V. Krishnan

(Company Secretary)

CASH FLOW STATEMENT

for the year ended March 31, 2018

	(Rs. in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Cash flow from operating activities		
Net profit before tax	1,408.62	54.60
Non cash adjustments to reconcile profit before tax to net cash flows:		
Depreciation	86.99	80.18
Interest income	(865.80)	(671.12)
Option fees	-	(627.70)
Net loss on sale of Property, Plant and Equipment	0.50	2.77
Net profit on sale of current investments	(1,782.27)	(1,846.74)
Liability/ provisions no longer required written back	-	(0.14)
Provision for doubtful advances - subsidiary	3.33	2.74
Employee stock option expense	44.75	20.46
(Gain) on forex fluctuation	(0.31)	(4.26)
Operating profit/(loss) before working capital changes	(1,104.19)	(2,989.21)
Movement in working capital :		
(Decrease) in trade payables	(49.15)	(78.35)
Increase/(Decrease) in other current liabilities	137.50	(153.11)
Increase in long term provisions including stock options	99.52	139.53
Increase in short term provisions	32.59	35.51
(Increase)/Decrease in long-term loans and advances	5,252.80	(1,670.98)
(Increase)/Decrease in short-term loans and advances	(748.74)	16.51
(Increase) in short-term trade receivables	(341.67)	(227.07)
Cash generated from/(used in) operations	3,278.66	(4,927.17)
Direct taxes (paid)/ net of refunds	(743.15)	(462.62)
Net cash flow from / (used in) operating activities (A)	2,535.51	(5,389.79)
Cash flow from investing activities		
Purchase of Property, Plant and Equipment, including CWIP and capital advances	(178.16)	(97.14)
Proceeds from sale of Property, Plant and Equipment	4.16	10.63
Purchase of non- current investments	(31,106.87)	(5,278.00)
Proceeds from sale of non-current investments	-	20,654.00
Purchase of current investments	(46,793.80)	(68,734.79)
Proceeds from sale/maturity of current investments	66,467.43	56,692.39
Option fees received	-	1,442.43
Interest received	864.89	671.12
Net cash flow from /(used in) investing activities (B)	(10,742.35)	5,360.64
Cash flow from financing activities		
Proceeds from issue of share capital	694.22	5.72
Proceeds from issue of share warrants	7,500.00	-
Net cash flow from financing activities (C)	8,194.22	5.72
Net decrease in cash and cash equivalents (A + B + C)	(12.62)	(23.43)
Cash and cash equivalents at the beginning of the year	60.59	84.02
Cash and cash equivalents at the end of the year	47.97	60.59

Note: The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 as Cash Flow Statements.

Components of cash and cash equivalent

	(Rs. in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Cash on hand	0.80	0.28
Cheques/drafts on hand	-	3.35
Balances with banks		
on current account	47.17	56.96
Total cash and cash equivalents	47.97	60.59
Summary of significant accounting policies		

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 No.: 301003E/E300005

per Atul Seksaria

Partner

Membership Number: 086370

Place : Gurugram

Date : May 29, 2018

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

Mohit Talwar

(Managing Director)

DIN No - 02394694

Jatin Khanna

(Chief Financial Officer)

Place : New Delhi

Date : May 29, 2018

Ashok Brijmohan Kacker

(Director)

DIN No. : 01647408

V. Krishnan

(Company Secretary)

Notes to financial Statements for the year ended March 31, 2018

1. Corporate information

Max India Limited (formerly Taurus Ventures Limited) (the Company) is a public limited company incorporated under Companies Act, 2013 on January 01, 2015. The shares of the Company are listed on National Stock Exchange (NSE) and BSE Limited (BSE) effective July 14, 2016. The Company is primarily engaged in making business investment in its subsidiaries/Joint Ventures and providing shared services to the group.

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 and Companies (Accounting Standards) Amendments Rules, 2016 as amended. 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 outcome requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

3.2 Property, plant and equipment (PPE)

Property, plant and equipment 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 property, plant and equipment 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 property, plant and equipment, 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.

The company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Gains or losses arising from derecognition of property, plant and equipment 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 Property, plant and equipment

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

Depreciation on property, plant and equipment 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 PPE:

	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

Notes to financial Statements for the year ended March 31, 2018

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.

Notes to financial Statements for the year ended March 31, 2018

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 proceeds 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 / goods and 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 Financial Services Limited Provident Fund Trust" (trust) managed by Max Financial Services Limited (erstwhile Max India Limited) whereby amounts determined at a fixed percentage of basic salary 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 is determined on the basis of actuarial valuation at the 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.

Notes to financial Statements for the year ended March 31, 2018

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 and enacted in India the income computation and disclosure standards. 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).

Notes to financial Statements for the year ended March 31, 2018

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.

Notes to financial Statements for the year ended March 31, 2018

4. Share capital

	(Rs. in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Authorised shares (Nos.)		
300,000,000 (March 31, 2017: 300,000,000) equity shares of Rs. 2/- each	6,000.00	6,000.00
	6,000.00	6,000.00
Issued, subscribed and fully paid-up shares (Nos.)		
268,383,065 (March 31, 2017: 267,270,049) equity shares of Rs. 2/- each fully paid up	5,367.66	5,345.40
	5,367.66	5,345.40

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

	March 31, 2018		March 31, 2017	
	No. of shares	(Rs. in Lakhs)	No. of shares	(Rs. in Lakhs)
Equity Shares				
At the beginning of the year	267,270,049	5,345.40	250,000	5.00
Cancelled during the year	-	-	(250,000)	(5.00)
Issued during the year - Fresh Allotment	-	-	266,983,999	5,339.68
Issued during the year - ESOP	1,113,016	22.26	286,050	5.72
Outstanding at the end of the year	268,383,065	5,367.66	267,270,049	5,345.40

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 in proportion to their shareholding.

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

Name of the Shareholder	March 31, 2018		March 31, 2017	
	No. of shares	% held	No. of shares	% held
Equity shares of Rs. 2/- each fully paid				
- Liquid Investment and Trading Private Limited	23,818,876	8.87%	23,818,876	8.91%
- Max Ventures Investment Holdings Private Limited	66,158,030	24.65%	66,158,030	24.75%
- Mohair Investment and Trading Company (P) Ltd	13,690,570	5.10%	8,086,560	3.03%
- Reliance Capital Trustee Co Ltd A/C	14,601,201	5.44%	12,515,216	4.68%
- Xenok Limited	-	-	17,161,714	6.42%

4.4 Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company, refer note 23.

4.5 Aggregate number of share issued for consideration other than cash during the period of five years immediately preceding the reporting date

The Company has issued total 1,399,066 shares (March 31, 2017: 286,050 shares) during the period of five years immediately preceding the reporting date on exercise of options granted under the ESOP plan wherein part consideration was received in the form of employees services.

During financial year 2015-16, pursuant to Composite Scheme of Arrangement and order of Hon'ble High Court of Punjab and Haryana dated December 14, 2015 (Order) sanctioning the Composite Scheme of Arrangement involving Max Financial Services Limited (formerly Max India Limited), Max India Limited (formerly Taurus Ventures Limited) (the Company) and Max Ventures and Industries Limited (formerly Capricorn Ventures Limited), the Company allotted 266,983,999 equity shares on May 14, 2016, in the ratio of 1 equity share of Rs. 2 each fully paid up of the company for every one equity share of Rs. 2 each fully paid up, held by shareholder of Max Financial Services Limited on January 28, 2016 (record date).

Notes to financial Statements for the year ended March 31, 2018

5. Reserves and surplus

	(Rs. in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Capital reserve		
Balance as per last financial statement	156,917.06	156,917.06
Closing balance	156,917.06	156,917.06
Security premium account		
Balance as per last financial statement	133.53	-
Add: premium on issue of shares under ESOP	671.96	-
Add: transferred from stock option outstanding	129.15	133.53
Closing balance	934.64	133.53
Employee stock option outstanding		
Balance as per last financial statement	198.37	227.34
Add/(less): compensation options granted during the year	93.66	104.56
Less : transferred to securities premium account	129.15	133.53
Closing balance	162.88	198.37
Surplus in the statement of profit and loss		
Balance as per last financial statement	1,175.51	1,433.58
Profit/(loss) for the year	631.08	(258.07)
Net surplus in the statement of profit and loss	1,806.59	1,175.51
Total reserves and surplus	159,821.17	158,424.47

6. Warrants against share capital

	(Rs. in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
19,384,854 (March 31, 2017: Nil) share warrants of Rs. 154.76/- each, partly paid up	7,500.00	-
	7,500.00	-

During the year, the Company allotted 19,384,584 convertible warrants at an exercise price of Rs. 154.76 per warrants to Mohair Investment and Trading Company Private Limited (an entity belonging to Promoter Group), on receipt of 25% of the warrant subscription amount, i.e. Rs. 75.00 crores. Each warrant is convertible into 1 equity share as per applicable SEBI guidelines at any time before the expiry of 18 months from the date of allotment i.e. on or before December 19, 2018.

Notes to financial Statements for the year ended March 31, 2018

7. Deferred tax assets

	(Rs. in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Deferred tax assets		
Impact of expenditure charged to the statement of profit and loss but allowed for tax purposes in subsequent years	185.01	156.10
PPE: Impact of difference between tax depreciation and depreciation charged for the financial reporting	50.06	43.11
Gross deferred tax assets	235.07	199.21
Deferred tax liabilities	-	-
Net deferred tax liabilities / (assets)	(235.07)	(199.21)
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. 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.

8. Provisions

	(Rs. in Lakhs)			
	Long - term		Short - term	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Provision for employee benefits				
Provision for leave benefits	-	-	168.17	139.56
Provision for gratuity (refer note 19.1)	316.12	265.51	23.55	19.57
	316.12	265.51	191.72	159.13

9. Other current liabilities

	(Rs. in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Trade payables		
• Total outstanding dues of micro enterprises and small enterprises	-	-
• Total outstanding dues of creditors other than micro enterprises and small enterprises	115.59	165.05
Other liabilities		
Security deposit received	25.25	23.24
Statutory dues payable	321.48	185.99
Capital creditors	25.65	-
	372.38	209.23
	487.97	374.28

9.1 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 April 01, 2017 to March 31, 2018. 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.

Notes to financial Statements for the year ended March 31, 2018

10. Non - current investments

	(Rs. in Lakhs)			
	As at March 31, 2018		As at March 31, 2017	
Trade investments (valued at cost unless stated otherwise)				
Investment in subsidiaries				
Unquoted equity instruments				
<i>Max Bupa Health Insurance Co. Limited</i>				
472,260,000 (March 31, 2017: 472,260,000) Equity shares of Rs.10 each fully paid up		47,226.01		47,226.01
<i>Pharmax Corporation Limited</i>				
47,122,747 (March 31, 2017: 47,122,747) Equity shares of Re.1 each fully paid up		1,420.81		1,420.81
<i>Antara Senior Living Limited</i>				
8,000,000 (March 31, 2017: 8,000,000) Equity shares of Rs. 10 each fully paid up		800.00		800.00
<i>Max UK Limited</i>				
299,742 (March 31, 2017: 299,742) Equity shares of GBP 1 each fully paid up	213.00		213.00	
Less: provision for diminution	(213.00)	-	(213.00)	-
<i>Max Ateev Limited</i>				
31,443,600 (March 31, 2017: 31,443,600) Equity shares of Rs. 10 each fully paid up	3,144.36		3,144.36	
Less: provision for diminution	(3,144.36)	-	(3,144.36)	-
<i>Max Skill First Limited</i> (formerly known as Max Healthstaff International Limited)				
9,095,000 (March 31, 2017: 9,095,000) Equity shares of Rs. 10 each fully paid up	1,022.87		1,022.87	
Less: provision for diminution	(447.87)	575.00	(447.87)	575.00
Unquoted preference instruments				
<i>Pharmax Corporation Limited</i>				
1,500,000 (March 31, 2017: 1,500,000) 9% Preference shares of Rs.100 each fully paid up		1,500.00		1,500.00
<i>Antara Senior Living Limited</i>				
28,271,417 (March 31, 2017: 18,321,417) Zero Coupon Compulsorily Convertible Preference shares of Rs.100 each fully paid up		28,271.42		18,321.42
Investment in Joint Ventures				
<i>Max Healthcare Institute Limited</i>				
266,997,937 (March 31, 2017: 246,848,537) Equity shares of Rs.10 each fully paid up		70,569.55		49,412.68
		150,362.79		119,255.92
		150,362.79		119,255.92
Aggregate amount of quoted investments		-		-
Aggregate amount of unquoted investments		154,168.02		123,061.15
Aggregate provision for diminution in value of investments		(3,805.23)		(3,805.23)

Notes to financial Statements for the year ended March 31, 2018

11. Property, plant and equipments

(Rs. in Lakhs)						
	Leasehold Improvements	Furniture & Fixture	Office Equipments	Computers	Vehicles	Total
TANGIBLE ASSETS						
Gross block						
As at March 31, 2017	355.51	54.77	90.14	133.33	352.26	986.01
Additions	-	-	1.60	11.58	56.55	69.73
Deletions/ Adjustments	-	-	0.60	-	27.03	27.63
At March 31, 2018	355.51	54.77	91.14	144.91	381.78	1,028.11
Accumulated depreciation						
As at March 31, 2017	355.51	44.18	65.68	98.15	146.16	709.68
Charge for the year	-	1.75	7.14	14.86	63.24	86.99
Deletions/ Adjustments	-	-	0.09	-	22.88	22.97
At March 31, 2018	355.51	45.93	72.73	113.01	186.52	773.70
Net Block						
At March 31, 2017	-	10.59	24.46	35.18	206.10	276.33
At March 31, 2018	-	8.84	18.41	31.90	195.26	254.41

12. Loans and advances

(Rs. in Lakhs)				
	Non - Current		Current	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Capital advances				
Unsecured, considered good	7,320.00	7,320.00	-	-
A	7,320.00	7,320.00	-	-
Security deposits				
Unsecured, considered good	165.15	1.50	-	-
B	165.15	1.50	-	-
Loans and advances to related parties (refer note 28)				
Unsecured, considered good (unless stated otherwise)				
Advances recoverable in cash or kind				
Considered good	-	-	-	-
Considered doubtful	2,621.81	2,618.48	-	-
Security deposit	85.00	85.00	-	-
Inter corporate deposit	700.00	6,150.00	-	-
Share application money pending allotment	-	-	700.00	-
	3,406.81	8,853.48	700.00	-
Provision for doubtful advances	(2,621.81)	(2,618.48)	-	-
C	785.00	6,235.00	700.00	-
Advances recoverable in cash or kind				
Unsecured, considered good	-	-	68.47	2.13
D	-	-	68.47	2.13

Notes to financial Statements for the year ended March 31, 2018

(Rs. in Lakhs)				
	Non - Current		Current	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Other loans and advances (unsecured, considered good unless stated otherwise)				
Balances with statutory/government authorities	-	-	3.89	23.22
Prepaid expenses	32.19	-	37.80	33.73
Loans to employees	1.57	3.54	2.50	4.84
Advance income tax (net of provisions)	-	-	124.00	158.39
E	33.76	3.54	168.19	220.18
Total (A+B+C+D+E)	8,303.91	13,560.04	936.66	222.31

13. Current Investments

(Rs. in Lakhs)		
	As at March 31, 2018	As at March 31, 2017
Current investments (valued at lower of cost and fair value)		
Unquoted mutual funds		
<i>Birla Sun Life Cash Plus - Growth Direct Plan Growth</i>	-	4,869.33
Nil (March 31, 2017: 1,895,100) units of Face value Rs. 100/- per unit fully paid		
<i>DFHL Pramerica Insta Cash Plus Fund - Direct Plan Growth</i>	-	1,481.74
Nil (March 31, 2017: 741,093) units of Face value Rs. 100/- per unit fully paid		
<i>DSP BlackRock Liquidity Fund -Direct Growth</i>	-	6,298.48
Nil (March 31, 2017: 280,058) units of Face value Rs. 1000/- per unit fully paid		
<i>Franklin India Treasury Management Account Fund Growth</i>	2,210.95	-
86,669 (March 31, 2017: Nil) units of Face value Rs. 1000/- per unit fully paid		
<i>IDFC Cash Fund - Direct Plan Growth</i>	751.96	-
36,071 (March 31, 2017: Nil) units of Face value Rs. 1000/- per unit fully paid		
<i>JM High Liquidity Fund (Direct) Growth</i>	1,817.45	6,275.10
4,248,757 (March 31, 2017: 14,800,894) units of Face value Rs. 10/- per unit fully paid		
<i>Invesco India Liquid Fund Direct Plan Growth</i>	2,400.00	1,712.29
100,465 (March 31, 2017: 76,992) units of Face value Rs. 1000/- per unit fully paid		
<i>L&T India Liquid Fund- Direct Fund Growth</i>	3,005.13	3,020.01
136,772 (March 31, 2017: 140,003) units of Face value Rs. 1000/- per unit fully paid		
<i>UTI Money Market Fund - Direct Fund Growth</i>	1,975.10	6,395.00
102,804 (March 31, 2017: 356,604) units of Face value Rs. 1000/- per unit fully paid		
	12,160.59	30,051.95
Aggregate amount of unquoted investments	12,160.59	30,051.95
Aggregate amount of quoted investments	-	-

Notes to financial Statements for the year ended March 31, 2018

14. Cash and bank balances

(Rs. in Lakhs)		
	Current	
	As at March 31, 2018	As at March 31, 2017
Cash and cash equivalents		
Cash on hand	0.80	0.28
Balances with banks		
on current accounts	47.17	56.96
Cheques/drafts on hand	-	3.35
	47.97	60.59

15. Trade receivables

(Rs. in Lakhs)		
	Current	
	As at March 31, 2018	As at March 31, 2017
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	456.89	203.22
	456.89	203.22
Other receivables		
Unsecured, considered good	1,026.43	938.43
	1,483.32	1,141.65

16. Other assets

(Rs. in Lakhs)		
	Current	
	As at March 31, 2018	As at March 31, 2017
Others		
Interest accrued on deposits	0.91	-
	0.91	-

17. Revenue from operations

(Rs. in Lakhs)		
	For the year ended March 31, 2018	For the year ended March 31, 2017
Other operating revenue		
Income from shared services	3,984.73	2,017.65
Income from investment activities		
Interest income on		
Inter corporate deposits	858.02	645.76
Fixed deposits	7.55	24.64
Profit on sale of current investments	1,782.27	1,846.74
Option fee (refer note 34)	-	627.70
	2,647.84	3,144.84
Revenue from operation (net)	6,632.57	5,162.49

Notes to financial Statements for the year ended March 31, 2018

18. Other income

	(Rs. in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest income	0.23	0.72
Gain on forex fluctuation	0.31	4.26
Liabilities/provisions no longer required written back	-	0.14
	0.54	5.12

19. Employee benefits expense

	(Rs. in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries, wages and bonuses	2,277.01	2,182.96
Contribution to provident and other funds	93.69	75.60
Employee stock option scheme	44.75	20.46
Gratuity expense (Refer note 19.1)	63.79	60.89
Staff welfare expenses	44.35	64.39
	2,523.59	2,404.30

19.1. 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 Lakhs)	
	Gratuity	
	March 31, 2018	March 31, 2017
Current service cost	39.07	35.98
Interest cost on benefit obligation	20.81	17.67
Net actuarial(gain) / loss recognized in the year	3.91	7.24
Net benefit expense	63.79	60.89
Actual return on plan assets	-	-

Balance sheet

	(Rs. in Lakhs)	
	Gratuity	
	March 31, 2018	March 31, 2017
Benefit asset/ (liability)		
Defined benefit obligation	339.67	285.08
Funded Status	-	-
Plan asset / (liability)	(339.67)	(285.08)

Notes to financial Statements for the year ended March 31, 2018

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

(Rs. in Lakhs)		
	Gratuity	
	March 31, 2018	March 31, 2017
Opening defined benefit obligation	285.08	226.60
Interest cost	20.81	17.67
Current service cost	39.07	35.98
Benefits paid by employer	(9.20)	(2.41)
Actuarial (gains) / losses on obligation	3.91	7.24
Closing defined benefit obligation	339.67	285.08

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

(Rs. in Lakhs)		
	Gratuity	
	March 31, 2018	March 31, 2017
Discount rate	7.60%	7.30%
Expected rate of return on assets	NA	NA
Retirement Age	58 to 65 years	58 years
Employee turnover	5%	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 Lakhs)			
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Defined benefit obligation	339.67	285.08	226.60
Plan assets	-	-	-
Surplus / (deficit)	(339.67)	(285.08)	(226.60)
Experience adjustments on plan liabilities	3.91	7.24	(10.80)
Experience adjustments on plan assets	-	-	-

19.2. Provident Fund

In terms of Composite Scheme of Arrangmeent amongst Max Financial Services Limited (formerly known as Max India Limited), Max India Limited (formerly known as Taurus Ventures Limited) and Max Ventures and Industries Limited (formerly known as Capricorn Ventures Limited) sanctioned by the Hon'ble High Court of Punjab & Haryana at Chandigarh vide letter dated December 14, 2015, the Company is contributing in a provident fund trust "Max Financial Services Limited Employees Provident Trust Fund". 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 company with respect to its own employees.

The actuary has accordingly provided a valuation for "Max Financial Services Limited Employees Provident Trust Fund".

The details of fund and plan asset position as at March 31, 2018 as per the actuarial valuation of active members are as follows:

(Rs. in Lakhs)		
	March 31, 2018	March 31, 2017
Plan assets at year end at fair value	1,232.13	1,010.19
Present value of defined benefit obligation at year end	1,215.12	997.21
Surplus as per actuarial certificate	17.01	12.98
Shortfall recognised in balance sheet	-	-

Notes to financial Statements for the year ended March 31, 2018

	(Rs. in Lakhs)	
	March 31, 2018	March 31, 2017
Active members as at year end (Nos)	50	53
Assumptions used in determining the present value obligation of the interest rate guarantee under the deterministic approach:		
Discount rate for the term of the obligation	7.18%	6.67%
Average historic yield on the investment portfolio	8.94%	8.79%
Discount rate for the remaining term to maturity of the investment portfolio	7.18%	6.67%
Expected investment return	8.94%	8.79%
Guaranteed rate of return	8.55%	8.65%

20. Other expenses

	(Rs. in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Recruitment and training expenses	56.19	57.45
Rent	123.51	101.73
Insurance	44.81	35.21
Repairs and maintenance:		
Others	120.32	91.76
Electricity and water	16.48	14.80
Printing and stationery	19.60	36.27
Travelling and conveyance	153.68	183.12
Communication	32.62	45.14
Legal and professional (refer note 20.1)	1,052.21	1,049.36
Management services charge	745.93	745.00
Directors' fee	103.38	73.37
Advertisement and publicity	0.19	53.85
Net loss on sale/disposal of fixed assets	0.50	2.77
Provision for doubtful advances in subsidiary	3.33	2.74
Charity and donation	52.60	-
Contribution towards corporate social responsibility (refer note 20.2))	23.44	45.00
Miscellaneous	65.12	90.96
	2,613.91	2,628.53

20.1 Payment to auditor (excluding service tax/GST) (included in legal and professional)

	(Rs. in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
As auditor:		
Audit fee	18.00	15.00
In other capacity:		
Other services	-	2.00
Reimbursement of expenses	0.64	0.50
	18.64	17.50

Notes to financial Statements for the year ended March 31, 2018

20.2 As per Section 135 of the Companies Act, 2013, a corporate social responsibility (CSR) committee has been formed by the Company. The areas for CSR activities are promoting healthcare and rural development projects. The Company has provided for & spent Rs. 23.44 Lakhs (March 31, 2017: Rs. 45.00 Lakhs) on various CSR initiatives, during the year, on the projects mentioned below:-

		(Rs. in Lakhs)	
		For the year ended March 31, 2018	For the year ended March 31, 2017
(i)	Construction / acquisition of any assets	-	-
(ii)	On purpose other than (i) above		
	Healthcare activities	5.94	7.88
	NGO work on healthcare platform	-	21.00
	Rural development project	17.50	16.12
		23.44	45.00

The above contribution of Rs. 23.44 Lakhs (March 31, 2017: Rs. 45.00 Lakhs) made to an enterprise owned or significantly influenced by key managerial personnel or their relatives i.e. Max India foundation, a trust registered under Indian Trust Act, 1882 with the main objective of working in the area of healthcare and rural development projects.

21. Depreciation expense

		(Rs. in Lakhs)	
		For the year ended March 31, 2018	For the year ended March 31, 2017
	Depreciation of tangible assets	86.99	80.18
		86.99	80.18

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

		(Rs. in Lakhs)	
		For the year ended March 31, 2018	For the year ended March 31, 2017
Basic EPS			
	Profit/(loss) after tax (Rs. in Lakhs)	631.08	(258.07)
	Net profit for calculation of basic EPS (Nos)	631.08	(258.07)
	Weighted average number of equity shares outstanding during the period (Nos.)	267,986,308	267,112,526
	Basic Earnings Per Share (Rs.)	0.24	(0.10)
Dilutive EPS			
	Equivalent weighted average number of employee stock options outstanding (Nos)	1,548,739	2,384,982
	Weighted average number of equity shares outstanding during the period for dilutive earnings per share (Nos)	269,535,047	269,497,508
	Diluted Earnings Per Share (Rs.)	0.23	(0.10)

23. Employee Stock Plan

23.1. Max India Employee Stock Plan – 2016 ("the 2016 Plan"):

The Company had instituted the 2016 Plan, which was approved by the Board of Directors on March 29, 2016 and by the shareholders on September 27, 2016. The 2016 Plan provides for grant of stock options aggregating not more than 5% of number of issued equity shares of the Company to eligible employees of the Company. The 2016 Plan is administered by the Nomination and Remuneration Committee appointed by the Board of Directors. Under the plan, the employees receive shares of the Company upon completion of vesting conditions such as rendering of services across vesting period. The Option Price is determined by the Nomination and Remuneration Committee, from time to time, in accordance with the provisions of applicable law, provided that the Option Price shall not be below the face value of the equity shares of the Company.

Notes to financial Statements for the year ended March 31, 2018

Particulars	March 31, 2018		March 31, 2017	
	Number of options	Weighted Average exercise price (Rs.)	Number of options	Weighted Average exercise price (Rs.)
Option outstanding at the beginning of the year	2,242,904	2.00	2,503,560	2.00
Granted during the year	22,155	2.00	25,394	2.00
Exercised during the year	(1,113,016)	2.00	(286,050)	2.00
Outstanding at the end of the year	1,152,043		2,242,904	
Exercisable at the end of the year	-	2.00	-	2.00

Note

For the year, the weighted average share price at the exercise date was Rs. 140.84 (March 31, 2017: Rs. 142.55)

The weighted average remaining contractual life for the stock options outstanding as at March 31, 2018 is 1.14 years (March 31, 2017: 1.63 years). The range of exercise prices for options outstanding at the end of the year was 2.00 to 78.80 (March 31, 2017: 2.00 to 394.00).

Stock compensation expense under the Fair Value method has been determined based on fair value of the stock options. The fair value of stock options was determined using the Black Scholes option pricing model with the following assumptions.

Particulars	March 31, 2018	March 31, 2017
Date of option granted	1-Apr-17	9-Nov-16
Stock Price Now (in Rupees)	150.95	140.00
Exercise Price (X) (in Rupees)	2.00	2.00
Expected Volatility (Standard Dev - Annual)	31.60%	31.60%
Life of the options granted (Vesting and exercise period) in years	3.00 - 5.00	3.00-5.39
Expected Dividend	0.00%	0%
Average Risk- Free Interest Rate	6.68%-6.88%	6.56%-6.75%
Weighted average fair value of options granted	149.31 - 149.53	138.36-138.61

The expected life of the stock is based on historical data and current expectations and is not necessarily indicative of exercise patterns 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 intrinsic value method. Had the company used the fair value model to determine compensation, its profit after tax and EPS as reported would have changed to amount indicated below:

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Net Profit as reported (Rs. in Lakhs)	631.08	(258.07)
Add: Employee stock compensation under intrinsic value method (Rs. in Lakhs)	44.75	20.46
Less: Employee stock compensation under fair value method (Rs. in Lakhs)	(80.94)	(61.17)
Performa profit (Rs. in Lakhs)	594.89	(298.78)
Earnings Per Share (Rupees)		
Basic		

Notes to financial Statements for the year ended March 31, 2018

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
- As reported	0.24	(0.10)
- Performa	0.22	(0.11)
Diluted		
- As reported	0.23	(0.10)
- Performa	0.22	(0.11)

24. 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. 123.51 Lakhs (March 31, 2017: Rs. 101.73 Lakhs). The Company has not entered into sublease agreements in respect of these leases and there are no restrictions placed upon the Company by entering into these leases.

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

Particulars	(Rs. in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Not later than one year	336.07	-
Later than one year and not later than five year	646.85	-
Later than five year	-	-
	982.92	-

25. Interest in a joint venture

The Company holds, 49.70% (March 31, 2017: 45.95%) interest in Max Healthcare Institute Limited (MHIL) (incorporated in India), a joint controlled entity which is involved in the business of healthcare services. The Company's share of assets, liabilities, expenses and incomes are as follows:

Particulars	(Rs. in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Current assets	22,636.81	16,558.91
Non current assets	141,207.43	91,152.81
Current liabilities	(23,643.43)	(17,617.08)
Non Current liabilities	(88,965.44)	(36,473.35)
Equity	51,246.15	53,621.29
Revenue	88,619.94	77,040.59
Cost of material consumed	(22,333.65)	(19,445.31)
Depreciation	(4,692.67)	(4,386.58)
Finance cost	(4,938.46)	(4,695.34)
Employee benefit expenses	(21,017.65)	(16,279.55)
Other Expenses	(36,954.22)	(31,645.22)
Profit/(loss) before tax	(1,316.17)	588.59
Tax expense	494.49	(79.49)
Profit/(loss) after tax from continuing operations	(1,811.20)	668.08
Profit on discontinued operations	491.01	-
Profit/(loss) after tax	(1,320.19)	668.08
Capital commitments	4,505.10	6,999.14
Contingent liabilities	48,178.94	16,136.20

Notes to financial Statements for the year ended March 31, 2018

26. 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 and Companies (Accounting Standards) Amendment Rules, 2016 as amended.

27. Capital and other commitments

a) Capital Commitments

	(Rs. in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Estimated amount of contracts remaining to be executed on capital account and not provided for	7,375.05	7,320.00
Less: Capital advances	7,320.00	7,320.00
Net capital commitment for acquisition of capital assets	55.05	-

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

28. Related parties disclosures as per AS-18

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
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 Hospital Limited (Subsidiary of Max Healthcare Institute Limited)
Key Management Personnel (KMP)	1	Mr. Mohit Talwar (Managing Director)
	2	Mr. Jatin Khanna (Chief Financial Officer)
	3	Mr. V Krishnan (Company Secretary)
Enterprises owned or significantly influenced by key management personnel or their relatives	1	Max India Foundation
	2	Max Life Insurance Company Limited (upto May 14, 2016)
	3	Max Financial Services Limited (upto May 14, 2016)
Employee benefit funds	1	Max Financial Services Ltd. Employees' Provident Fund Trust

Notes to financial Statements for the year ended March 31, 2018

28.1. Transactions with related parties during the year:

	(Rs. in Lakhs)											
	Subsidiaries		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 Fund		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Income from shared services												
Max Healthcare Institute Limited	-	-	590.73	149.60	-	-	-	-	-	-	590.73	149.60
Pharmax Corporation Limited	110.00	100.00	-	-	-	-	-	-	-	-	110.00	100.00
Max Financial Services Limited	-	-	-	-	-	-	-	92.29	-	-	-	92.29
Max Bupa Health Insurance Company Limited	900.00	-	-	-	-	-	-	-	-	-	900.00	-
Max Skill First Limited	40.00	34.00	-	-	-	-	-	-	-	-	40.00	34.00
Reimbursement of expenses (received from)												
Max Financial Services Limited	-	-	-	-	-	-	-	10.12	-	-	-	10.12
Reimbursement of expenses (paid to)												
Max UK Limited	-	30.55	-	-	-	-	-	-	-	-	-	30.55
Services Received												
Healthcare Services												
Max Healthcare Institute Limited	-	-	0.02	0.09	-	-	-	-	-	-	0.02	0.09
Management service charges												
Max Financial Services Limited	-	-	-	-	-	-	-	89.81	-	-	-	89.81
Rent paid												
Pharmax Corporation Limited	92.14	92.14	-	-	-	-	-	-	-	-	92.14	92.14
Alps Hospital Ltd	-	-	2.40	2.75	-	-	-	-	-	-	2.40	2.75
CSR activities												
Max India Foundation	-	-	-	-	-	-	23.44	45.00	-	-	23.44	45.00
Managerial remuneration												
Mohit Talwar	-	-	-	-	319.94	177.14	-	-	-	-	319.94	177.14
Jatin Khanna	-	-	-	-	124.78	100.32	-	-	-	-	124.78	100.32
V Krishnan	-	-	-	-	136.51	113.20	-	-	-	-	136.51	113.20
Company's contribution to Provident Fund Trust	-	-	-	-	-	-	-	-	72.32	67.15	72.32	67.15
Provision for Diminution												
Max Ateev Limited.	3.33	2.74	-	-	-	-	-	-	-	-	3.33	2.74
Loans and advances given												
Max Ateev Limited.	3.33	2.74	-	-	-	-	-	-	-	-	3.33	2.74
Antara Purukul Senior Living Limited	3,300.00	1,900.00	-	-	-	-	-	-	-	-	3,300.00	1,900.00
Loans repaid												
Antara Purukul Senior Living Limited	8,750.00	-	-	-	-	-	-	-	-	-	8,750.00	-
Pharmax Corporation Limited	-	225.00	-	-	-	-	-	-	-	-	-	225.00
Interest income												
Antara Purukul Senior Living Limited	858.02	632.37	-	-	-	-	-	-	-	-	858.02	632.37
Pharmax Corporation Limited.	-	13.39	-	-	-	-	-	-	-	-	-	13.39
Investments made												
Max Healthcare Institute Limited.	-	-	21,156.87	-	-	-	-	-	-	-	21,156.87	-
Antara Senior Living Limited	9,950.00	3,850.00	-	-	-	-	-	-	-	-	9,950.00	3,850.00
Max Bupa Health Insurance Company Limited	-	1,428.00	-	-	-	-	-	-	-	-	-	1,428.00
Share applicaiotn money against investments made												
Antara Senior Living Limited	700.00	-	-	-	-	-	-	-	-	-	700.00	-
Investments sold												
Max Bupa Health Insurance Company Limited	-	20,654.00	-	-	-	-	-	-	-	-	-	20,654.00
Balance outstanding as at the year end												
Corporate guarantee given												
Antara Purukul Senior Living Limited	21,696.16	25,033.89	-	-	-	-	-	-	-	-	21,696.16	25,033.89
Loans and advances given												
Max Ateev Limited	705.47	702.14	-	-	-	-	-	-	-	-	705.47	702.14
Antara Purukul Senior Living Limited	700.00	6,150.00	-	-	-	-	-	-	-	-	700.00	6,150.00
Max Skill First Limited	1,916.34	1,916.34	-	-	-	-	-	-	-	-	1,916.34	1,916.34
Provision made against above												
Max Ateev Limited	(705.47)	(702.14)	-	-	-	-	-	-	-	-	(705.47)	(702.14)
Max Skill First Limited	(1,916.34)	(1,916.34)	-	-	-	-	-	-	-	-	(1,916.34)	(1,916.34)
Amount receivable												

Notes to financial Statements for the year ended March 31, 2018

											(Rs. in Lakhs)	
	Subsidiaries		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 Fund		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Max Healthcare Institute Limited	-	-	631.55	282.34	-	-	-	-	-	-	631.55	282.34
Max Skill First Limited	10.80	20.28	-	-	-	-	-	-	-	-	10.80	20.28
Max Bupa Health Insurance Company Limited	243.00	-	-	-	-	-	-	-	-	-	243.00	-
Security deposit receivable												
Pharmax Corporation Limited	85.00	85.00	-	-	-	-	-	-	-	-	85.00	85.00
Amount Payable												
Alps Hospital Ltd	-	-	(1.09)	(1.14)	-	-	-	-	-	-	(1.09)	(1.14)
Investment in equity share capital												
Max Ateev Limited	3,144.36	3,144.36	-	-	-	-	-	-	-	-	3,144.36	3,144.36
Max Healthcare Institute Limited	-	-	70,569.55	49,412.68	-	-	-	-	-	-	70,569.55	49,412.68
Max Bupa Health Insurance Company Limited	47,226.01	47,226.01	-	-	-	-	-	-	-	-	47,226.01	47,226.01
Antara Senior Living Limited	800.00	800.00	-	-	-	-	-	-	-	-	800.00	800.00
Pharmax Corporation Limited	1,420.81	1,420.81	-	-	-	-	-	-	-	-	1,420.81	1,420.81
Max Skill First Limited	1,022.87	1,022.87	-	-	-	-	-	-	-	-	1,022.87	1,022.87
Max UK Limited	213.00	213.00	-	-	-	-	-	-	-	-	213.00	213.00
Provision made against above												
Max Ateev Limited	(3,144.36)	(3,144.36)	-	-	-	-	-	-	-	-	(3,144.36)	(3,144.36)
Max Skill First Limited	(447.87)	(447.87)	-	-	-	-	-	-	-	-	(447.87)	(447.87)
Max UK Limited	(213.00)	(213.00)	-	-	-	-	-	-	-	-	(213.00)	(213.00)
Investment in preference share capital												
Antara Senior Living Limited	28,271.42	18,321.42	-	-	-	-	-	-	-	-	28,271.42	18,321.42
Pharmax Corporation Limited	1,500.00	1,500.00	-	-	-	-	-	-	-	-	1,500.00	1,500.00

29. Contingent liabilities not provided for

(Rs. in Lakhs)			
S. No.	Particulars	As at March 31, 2018	As at March 31, 2017
i.	Corporate guarantee given to bank/NBFC in respect of financial assistance availed by a subsidiary company.	21,696.16	25,033.89

30 Particulars of unhedged foreign currency exposure

Particulars	As at March 31, 2018			As at March 31, 2017		
	Foreign Currency	Exchange Rate	Indian Rupee	Foreign Currency	Exchange Rate	Indian Rupee
	(in Lakhs)	(Rupee)	(in Lakhs)	(in Lakhs)	(Rupee)	(in Lakhs)
Trade payables (GBP)	-	-	-	0.47	80.48	37.63
Investments	-	-	213.00	-	-	213.00

31 Expenditure in foreign currency (on accrual basis)

(Rs. in Lakhs)		
Particulars	As at March 31, 2018	As at March 31, 2017
Legal and professional	138.47	223.98
Others	6.18	57.87
Total	144.65	281.85

Notes to financial Statements for the year ended March 31, 2018

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

a) Particulars of Loans given:

						(Rs. in Lakhs)
Sr. No	Name of the Loanee	Opening Balance as on 31.03.17	Loan given during the year	Loan repaid / converted into equity during the year	Outstanding Balance as on 31.03.18	Purpose
1	Antara Purukul Senior Living Limited	6,150.00	3,300.00	8,750.00	700.00	Operational cash flow requirement
2	Max Ateev Limited	702.14	3.33	-	705.47	Operational cash flow requirement
3	Max Skill First Limited	1,916.34	-	-	1,916.34	Operational cash flow requirement
		8,768.48	3,303.33	8,750.00	3,321.81	

b) Particulars of Guarantee given:

						(Rs. in Lakhs)
Sr. No	Name of the Entity	Opening Balance as on 31.03.17	Guarantee agreed to be given during the year	Guarantee discharged during the year	Outstanding Balance as on 31.03.18	Purpose
1	Antara Purukul Senior Living Limited	25,033.89	21,696.16	25,033.89	21,696.16	Collateral security for term loan for project
		25,033.89	21,696.16	25,033.89	21,696.16	

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

c) Particulars of Investments made:

						(Rs. in Lakhs)
Sr. No	Name of the Investee	Opening Balance as on 31.03.17	Investment made	Investment redeemed/ extinguished	Outstanding Balance as on 31.03.18	Purpose
Investment in Equity Share Capital						
1	Max Ateev Limited	3,144.36	-	-	3,144.36	Strategic investment
2	Max Healthcare Institute Limited.	49,412.68	21,156.87	-	70,569.55	Strategic investment
3	Max Bupa Health Insurance Company Limited	47,226.01	-	-	47,226.01	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 Skill First Limited	1,022.87	-	-	1,022.87	Strategic investment
7	Max UK Limited	213.00	-	-	213.00	Strategic investment
Investment in Preference Share Capital						
1	Antara Senior Living Limited	18,321.42	9,950.00	-	28,271.42	Strategic investment
2	Pharmax Corporation Limited	1,500.00	-	-	1,500.00	Strategic investment
		123,061.15	31,106.87	-	154,168.02	

Notes to financial Statements for the year ended March 31, 2018

- 33.** Max India Limited ("the Company") is a core investment company (non systemically important - CIC) under the Non-Banking Financial Company (NBFC) Rules as defined under the RBI Act, 1934. The financials for the year ended March 31, 2018 have been prepared in accordance 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 Companies (Accounting Standards) Amendment Rules, 2016.
- 34.** Till previous year, the Company had a put option to transfer upto 24% of its shareholding in Max Bupa Health Insurance Co. Limited (Max Bupa) and Bupa Singapore Pte. Limited (Bupa Singapore) had a call option under which the Company would be required to transfer 24% of its shareholding in Max Bupa 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.
- 35.** During the year, the Company has acquired 201,49,399 equity shares of Max Healthcare Institute Limited (MHIL) held by International Finance Corporation, at Rs. 105/- each (i.e. 3.75% equity share capital) for a consideration of Rs. 21,156.87 Lakhs. Subsequent to such acquisition, shareholding of the Company in MHIL increased to 49.70%.

- 36.** Details of utilisation of proceeds through preferential issue are as below:

	(Rs. in Lakhs)
	For the year ended March 31, 2018
Proceeds received during the year	7,500.00
Less: Amount utilised during the year (Investment in equity shares of joint venture)	7,500.00
Unutilised amount at the end of the year	-

- 37.** Previous year figures have been regrouped/reclassified to conform to the current year classification.

As per our report of even date

For S.R.Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration No.: 301003E/E300005

per Atul Seksaria

Partner

Membership Number: 086370

Place : Gurugram

Date : May 29, 2018

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

Mohit Talwar

(Managing Director)

DIN No - 02394694

Jatin Khanna

(Chief Financial Officer)

Place : New Delhi

Date : May 29, 2018

Ashok Brijmohan Kacker

(Director)

DIN No. : 01647408

V. Krishnan

(Company Secretary)

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") and joint ventures, comprising of the consolidated Balance Sheet as at March 31, 2018, 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 of 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 including joint ventures in accordance with accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. The respective Board of Directors of the companies included in the Group and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and joint ventures 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 controls, 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 paragraph 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 and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and joint ventures, the aforesaid consolidated 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, and joint ventures as at March 31, 2018, their consolidated loss,

and their consolidated cash flows for the year ended on that date.

Other Matter

- (a) We did not audit the financial statements and other financial information, in respect of 8 subsidiaries, whose financial statements include total assets of Rs 164,302.47 lakhs and net assets of Rs 57,729.39 lakhs as at March 31, 2018, and total revenues of Rs 65,226.73 lakhs and net cash inflow of Rs 680.18 lakhs for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.
- (b) The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of joint venture, whose financial statements and other financial information reflect total assets of Rs 1,393.79 lakhs and net assets of Rs 1,155.39 lakhs as at March 31, 2018, and total revenues of Rs 429.09 lakhs and net cash inflows of Rs 67.29 lakhs for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. Our opinion, in so far as it relates to amounts and disclosures included in respect of this joint venture, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid joint venture, is based solely on such unaudited financial statement and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.
- (c) The auditor of Max Bupa Health Insurance Company Limited, (Max Bupa), a subsidiary company, have reported that the actuarial valuation of liabilities in respect of claims Incurred but Not Reported (IBNR), including claims Incurred but Not Enough Reported ('IBNER') as at March 31, 2018 is the responsibility of the Company's Actuary (the 'Actuary') and has been duly certified

by the Actuary. The Actuary has also certified that in his opinion, the assumptions for such valuation are in accordance with the applicable guidelines and norms, if any, issued by Insurance Regulatory Development Authority of India (IRDAI) and the Actuary Society of India in concurrence with the IRDAI. The auditors of Max Bupa have relied upon the Actuary's Certificate in this regard for forming their opinion on the financial statements of Max Bupa.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and Joint ventures as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- (a) We / the other auditors whose 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 Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016;

- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and joint ventures companies incorporated in India, none of the directors of the Group's companies and joint venture companies incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company and its subsidiary companies and joint venture companies incorporated in India, refer to our separate report in "Annexure 1" 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 consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and joint ventures Refer Note 37 to the consolidated financial statements;
 - ii. The Group and joint ventures did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2018.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and joint ventures incorporated in India during the year ended March 31, 2018.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Atul Seksaria

Partner

Membership Number: 086370

Place of Signature: Gurugram

Date: May 29, 2018

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MAX INDIA LIMITED (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) as at and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of Max India Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies and joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements

and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

A company's internal financial control over financial reporting with reference to these consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or

timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiary companies and joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

- a) Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, insofar as it relates to these subsidiary companies and 1 joint venture, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary and joint venture incorporated in India.
- b) Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding company, insofar it relates to a joint venture, which is unaudited, is based on management assessment of internal controls over financial reporting furnished to us by the management. In our opinion and according to the information and explanations given to us by the management, the joint venture is not material to the Group.
- c) The auditor of Max Bupa Health Insurance Company Limited, (Max Bupa), a subsidiary company, have reported that the actuarial valuation of liabilities in respect of claims Incurred but Not Reported (IBNR), including claims Incurred but Not Enough Reported ('IBNER') as at March 31, 2018 is required to be certified by the Actuary as per the Insurance Regulatory and Development Authority (preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002 (the IRDA Financial Statements Regulations"), and has been relied upon by them, as mentioned in Other matter para of their report on the financial statements of the company as at and for the year ended March 31, 2018. Accordingly the internal financial controls over financial reporting in respect of the valuation and accuracy of the aforesaid actuary valuation is also certified by the Actuary and accordingly, the auditors of Max Bupa have relied upon the Actuary's certificate.

Our opinion is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and management assessment of internal controls over financial reporting in respect of unaudited joint venture certified by the management.

For S.R. Batliboi & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Atul Seksaria

Partner

Membership Number: 086370

Place of Signature: Gurugram

Date: May 29, 2018

CONSOLIDATED BALANCE SHEET

as at March 31, 2018

	Notes	As at March 31, 2018	(Rs. in Lakhs) As at March 31, 2017
Equity and liabilities			
Shareholders' funds			
Share capital	4	5,367.66	5,345.40
Reserves and surplus	5	115,121.37	121,394.87
Money received against share warrants	6	7,500.00	-
		127,989.03	126,740.27
Preference shares		-	67.03
Minority interest		13,392.07	12,185.16
Non-current liabilities			
Long-term borrowings	7	62,875.42	52,454.47
Deferred tax liabilities	8	768.54	769.36
Other long-term liabilities	9	25,561.14	19,053.14
Long-term provisions	10	1,510.07	1,172.42
		90,715.17	73,449.39
Current liabilities			
Short-term borrowings	11	5,185.84	3,999.30
Trade payables	12	-	-
• Total outstanding dues of micro enterprises and small enterprises		-	-
• Total outstanding dues of creditors other than micro enterprises and small enterprises		32,091.17	24,389.72
Other current liabilities	12	16,359.87	21,334.72
Short-term provisions	10	30,915.60	30,037.21
		84,552.48	79,760.95
TOTAL		316,648.75	292,202.80
Assets			
Non-current assets			
Fixed assets			
Property, plant and equipment	13	97,192.61	50,228.33
Intangible assets	14	3,587.13	3,135.10
Capital work-in-progress		2,065.06	44,365.84
Intangible assets under development		163.51	64.77
Goodwill on consolidation		58,380.24	39,712.63
Non-current investments	15	43,372.13	40,940.67
Deferred tax assets (net)	8	840.98	838.85
Loans and advances	16	31,685.86	29,758.65
Trade receivables	17	4,236.39	1,558.73
Other non-current assets	18	56.00	56.52
		241,579.91	210,660.09
Current assets			
Current investments	19	36,898.25	54,318.89
Inventories	20	1,555.58	1,079.47
Trade receivables	17	20,459.65	13,068.25
Cash and bank balances	21	4,836.40	4,797.11
Loans and advances	16	4,149.73	4,223.15
Other current assets	18	7,169.23	4,055.84
		75,068.84	81,542.71
TOTAL		316,648.75	292,202.80

Summary of significant accounting policies 3

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For S.R.Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration No.: 301003E/E300005

per Atul Seksaria

Partner

Membership Number: 086370

Place : Gurugram

Date : May 29, 2018

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

Mohit Talwar

(Managing Director)

DIN No - 02394694

Jatin Khanna

(Chief Financial Officer)

Place : New Delhi

Date : May 29, 2018

Ashok Brijmohan Kacker

(Director)

DIN No. : 01647408

V. Krishnan

(Company Secretary)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

For the year ended March 31, 2018

		(Rs. in Lakhs)	
	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
Continuing operations			
Income			
Revenue from operations	22	157,088.31	141,605.99
Other income	23	4,489.81	2,437.63
Total revenue (I)		161,578.12	144,043.62
Expenses			
Cost of raw materials consumed		58.42	-
Purchase of pharmacy and pharmaceuticals supplies		22,586.13	19,446.29
(Increase)/ decrease in inventories of traded goods	24	(253.57)	(0.97)
Employee benefits expense	25	42,694.36	34,876.97
Other expenses	26	86,141.13	84,197.88
Depreciation and amortisation expense	27	7,347.77	5,323.64
Finance costs	28	7,831.46	5,270.35
Total expenses (II)		166,405.70	149,114.16
Loss before tax (I-II)		(4,827.58)	(5,070.54)
Tax expense			
Current tax		1,598.35	1,194.59
MAT credit entitlement		(195.04)	(565.16)
Tax related to previous years		(46.45)	(26.70)
Deferred tax		244.03	(277.38)
Total tax expense		1,600.89	325.35
Loss after tax from continuing operations (A)		(6,428.47)	(5,395.89)
Discontinued operations			
Profit before tax from discontinued operations		491.01	781.10
Tax expense		-	-
Profit after tax from discontinued operations (B)		491.01	781.10
Minority Interest (C)		(1,192.02)	(4.94)
Net loss (after adjusting minority interest) (A+B+C)		(7,129.48)	(4,619.73)
Earnings per equity share	29		
[Nominal value of share Rs. 2 (March 31, 2017: Rs. 2)]			
Basic (Rs.)			
Computed on the basis of net loss for the year		(2.66)	(1.73)
Computed on the basis of loss from continuing operations		(2.84)	(2.02)
Diluted (Rs.)			
Computed on the basis of net loss for the year		(2.66)	(1.73)
Computed on the basis of loss from continuing operations		(2.84)	(2.02)
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For S.R.Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration No.: 301003E/E300005

per Atul Seksaria

Partner

Membership Number: 086370

Place : Gurugram

Date : May 29, 2018

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

Mohit Talwar

(Managing Director)

DIN No - 02394694

Jatin Khanna

(Chief Financial Officer)

Place : New Delhi

Date : May 29, 2018

Ashok Brijmohan Kacker

(Director)

DIN No. : 01647408

V. Krishnan

(Company Secretary)

CONSOLIDATED CASH FLOW STATEMENT

for the year ended March 31, 2018

	(Rs. in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Cash flow from operating activities		
Loss before tax from continuing operations	(4,827.58)	(5,070.54)
Profits before tax from discontinued operations	491.01	781.10
Loss before tax	(4,336.57)	(4,289.44)
Non cash adjustments to reconcile profit / (loss) before tax to net cash flows:		
Depreciation / amortisation on continuing operations	7,347.77	5,323.64
Depreciation / amortisation on discontinued operations	147.60	555.96
Interest expense	7,080.46	4,871.50
Interest income	(6,032.17)	(5,206.25)
Option fees	-	(627.70)
Amortisation of discount/(premium) on investments	(442.56)	(322.04)
Net loss on sale of property, plant and equipment on continuing operations	14.15	36.14
Net loss on foreign exchange fluctuation	107.54	1.21
Net profit on sale of current investments	(2,273.92)	(2,691.08)
Profit on sale of long term investments	(183.82)	-
Doubtful advances written off	363.47	151.22
Provision for doubtful debts and advances	36.28	471.72
Liabilities/provisions no longer required written back	(520.99)	(234.72)
Employee stock option expense	44.75	20.06
Operating profit before working capital changes	1,351.99	(1,939.78)
Movement in working capital :		
Increase in short-term trade payables	8,221.99	4,105.68
Increase in long-term provisions	337.65	266.02
Increase in short-term provisions	1,261.14	1,999.75
Increase in other current liabilities	1,764.39	431.26
Increase in other long-term liabilities	6,508.00	7,953.69
Decrease in long-term trade receivables	(2,677.66)	129.40
Increase in short-term trade receivables	(7,544.95)	(1,940.19)
Increase in inventories	(476.11)	8.01
Increase in long-term loans and advances	(1,094.47)	(628.06)
Increase in short-term loans and advances	(617.24)	(972.85)
Increase in other current assets	262.98	161.58
Decrease / (increase) in other non-current assets	(0.49)	-
Cash generated from/(used in) operations	7,297.22	9,574.51
Direct taxes paid (net of refunds)	(2,766.52)	(1,792.05)
Net cash flow from /(used in) operating activities (A)	4,530.70	7,782.46
Cash flow from investing activities		
Purchase of property, plant and equipment, including intangible assets, CWIP and capital advances	(18,060.37)	(25,412.43)
Proceeds from sale of property, plant and equipment	5,489.23	315.33
Purchase of investments in subsidiary	(18,930.15)	-
Purchase of investments	(78,942.83)	(131,298.89)
Proceeds from sale of investments	96,832.31	112,810.76

	(Rs. in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Investment / redemption in deposits (having original maturity of more than three months) and margin money	86.42	(101.77)
Investment in escrow account	(3,764.11)	-
Option fee received	-	1,442.43
Interest received	6,334.50	4,306.23
Net cash flow from /(used in) investing activities (B)	(10,955.00)	(37,938.34)
Cash flow from financing activities		
Proceeds from issue of share warrants	7,500.00	-
Proceeds from issue of share capital (including share premium a/c)	694.22	5.72
Issue of shares by subsidiary to minority	-	23,213.28
Proceeds from long -term borrowings	4,124.20	14,598.75
Proceeds from/(Repayment) of short -term borrowings	1,186.54	(1,584.46)
Interest paid	(7,041.37)	(4,768.96)
Net cash flow from /(used in) financing activities (C)	6,463.59	31,464.33
Net Increase/(decrease) in cash and cash equivalents (A + B + C)	39.29	1,308.44
Cash and cash equivalents at the beginning of the year	4,797.11	3,488.67
Cash and cash equivalents at the end of the year	4,836.40	4,797.11

Note:

The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 on Cash Flow Statement.

Components of cash and cash equivalent

	(Rs. in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Cash on hand	71.80	52.96
Cheques/drafts on hand	362.62	344.56
Balance with banks		
On current account	3,336.32	3,581.70
Deposits with original maturity of less than three months	1,065.66	817.89
Total cash and cash equivalents	4,836.40	4,797.11
Summary of significant accounting policies	3	

As per our report of even date

For S.R.Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

per Atul Seksaria
Partner
Membership Number: 086370

Place : Gurugram
Date : May 29, 2018

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

Mohit Talwar
(Managing Director)
DIN No - 02394694

Jatin Khanna
(Chief Financial Officer)

Place : New Delhi
Date : May 29, 2018

Ashok Brijmohan Kacker
(Director)
DIN No. : 01647408

V. Krishnan
(Company Secretary)

Notes to Consolidated financial Statements for the year ended March 31, 2018

1. Basis of preparation

Max India Limited (the Company) (Goup Company) is a public limited company registered under Companies Act, 2013 and incorporated on January 01, 2015. The shares of the Company are listed on National Stock Exchange (NSE) and BSE Limited (BSE) effective July 14, 2016. The Company is primarily engaged in making business investment in its subsidiaries / joint ventures and providing shared services to the group companies.

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 under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014 and Companies (Accounting Standards) Amendments Rules, 2016 as amended.

The financial statements of Max Bupa Health Insurance Company Limited, subsidiary of the company, which are included in these CFS, are prepared 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 IRDAI/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.

Notes to Consolidated financial Statements for the year ended March 31, 2018

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, 2018	Proportion of ownership as at March 31, 2017
1	Max Bupa Health Insurance Company Limited	India	51.00%	51.00%
2	Antara Senior Living Limited	India	100.00%	100.00%
3	Antara Purukul Senior Living Limited (i)	India	100.00%	100.00%
4	Antara Gurgaon Senior Living Limited (i)	India	100.00%	100.00%
5	Pharmax Corporation Limited	India	85.17%	85.17%
6	Max Ateev Limited	India	100.00%	100.00%
7	Max Skill First Limited	India	100.00%	100.00%
8	Max One Distribution and Services Limited (ii)	India	100.00%	100.00%
9	Max UK Limited	United Kingdom	100.00%	100.00%

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

	Name of Joint Venture	Country of incorporation	Proportion of ownership as at March 31, 2018	Proportion of ownership as at March 31, 2017
1	Forum I Aviation Limited (iii)	India	20.00%	20.00%
2	Max Healthcare Institute Limited (MHIL)	India	49.70%	45.95%

Notes:

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

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

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

2.2 Additional Information

Sl. No.	Name of the Subsidiary	Net Assets i.e total assets - total liabilities		Share in profit or loss	
		Amount (Rs. In Lakhs)	As % of consolidated net assets	Amount (Rs. In Lakhs)	As % of consolidated profit or loss
Parent					
1	Max India Limited	168,714.35	131.82%	631.08	(8.85%)
Indian Subsidiaries					
2	Max Bupa Health Insurance Company Limited	(21,365.65)	(16.69%)	1,164.83	(16.34%)
3	Antara Senior Living Limited	24,886.53	19.44%	(2,017.01)	28.29%
4	Antara Purukul Senior Living Limited	(47,414.40)	(37.05%)	(5,863.96)	82.25%
5	Antara Gurgaon Senior Living Limited	(2.49)	0.00%	(0.46)	0.01%
6	Pharmax Corporation Limited	1,017.37	0.79%	(111.60)	1.57%
7	Max Ateev Limited	(3,132.97)	(2.45%)	(5.26)	0.07%
8	Max Skill First Limited	340.77	0.27%	209.61	(2.94%)
9	Max One Distribution and Services Limited	(529.44)	(0.41%)	15.27	(0.21%)
Foreign Subsidiaries					
10	Max UK Limited	(42.49)	(0.03%)	8.82	(0.12%)
Minority interest in all subsidiaries		(13,392.07)	(10.46%)	-	-
Joint Ventures					
1	Forum I Aviation Limited	406.62	0.32%	64.48	(0.91%)
2	Max Healthcare Institute Limited	18,502.90	14.46%	(1,225.27)	17.19%
Total		127,989.03	100%	(7,129.48)	100%

Notes to Consolidated financial Statements for the year ended March 31, 2018

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 Property, plant and equipment (PPE)

Property, plant and equipment 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 property, plant and equipment 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 property, plant and equipment, 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.

The Group identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Gains or losses arising from derecognition of property, plant and equipment 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 Property, plant and equipment

Depreciation on property, plant and equipment 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 PPE:

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 equipment (End user devices)	3
IT equipment (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.

Notes to Consolidated financial Statements for the year ended March 31, 2018

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 fee, 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

Notes to Consolidated financial Statements for the year ended March 31, 2018

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 property, plant and equipment. 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 Property, Plant & Equipment (PPE)

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

Notes to Consolidated financial Statements for the year ended March 31, 2018

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 proceeds is charged or credited to the statement of profit and loss.

Insurance business:

Investments are made and accounted for in accordance with the Insurance Act, 1938, Insurance Regulatory & Development Authority (Investment) Regulations, 2000 & 2016 as amended and various other circulars/notifications issued by the IRDA in this context from time to time.

Investments are recorded at cost including acquisition charges (such as brokerage, transfer charges, stamps etc) if any and exclude interest accrued upto the date of purchase.

Debt securities, including Government securities are considered as 'held to maturity' and accordingly stated at historical cost subject to amortisation of premium or accretion of discount on constant yield to maturity basis in the Revenue Accounts and in the Profit and Loss Account over the period of maturity/holding.

Investment that are earmarked, are allocated to policyholder's or shareholder's as applicable; balance investment are segregated at Shareholder's level and policyholder's level notionally based on Policyholder's fund and shareholder's fund at the end of the period.

Listed and actively traded securities are stated at fair value as at the Balance Sheet date being the lowest of the last quoted closing price of the stock exchanges where the securities are listed. Unrealized gain/losses due to change in fair value of listed securities is credited/debited to 'Fair Value Change Account'.

Unlisted Securities are stated at cost.

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

The realized gain or loss on the listed and actively traded securities and mutual funds is the difference between the sale consideration and the carrying cost as on the date of sale, determined on a first in first out basis and includes the accumulated changes in the fair value previously taken to the fair value change account, in respect of the particular security; such loss or gain is transferred to revenue account on the trade date.

The company, at each balance sheet date, assesses investments for any impairment and necessary provisions are made for the same where required.

Investments in units of Mutual funds are valued at Net Asset Value (NAV) as at Balance Sheet date. Unrealized gains/losses are credited/debited to the 'Fair Value Change Account'.

Investments maturing within twelve months from the balance sheet date and investments made with specific intention to dispose off within twelve months are classified as Short Term Investments. Other Investments are classified as Long Term Investments.

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.

Notes to Consolidated financial Statements for the year ended March 31, 2018

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 tax (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 is recognized as income on the commencement of risk/contract on a gross basis after adjusting for unearned premium (unexpired risk).

Reserve for unexpired risk (Unearned Premium)

Reserve for unexpired risk represents that part of premium (i.e. premium, net of reinsurance ceded) which is attributable to and set aside for subsequent risks to be borne by the company. In accordance with IRDAI circular dated April 4, 2016 reserve for unexpired is calculated at 50% of the net written premium of preceding twelve months.

Premium Deficiency

Premium deficiency is recognised for the Company at a line of business level when the sum of expected claim costs and related expenses exceed the reserve for unexpired risks. Assessment of expected claim cost and related expenses has been certified by the Appointed Actuary in accordance with IRDAI (Assets, Liabilities and Solvency margin of General Insurance Business) Regulation, 2016.

Reinsurance ceded

Reinsurance premium ceded is accounted in the year in which the risk commences and over the period of risk in accordance with the treaty arrangement with the reinsurers. Any subsequent revision to, refunds or cancellations of premium are recognized in the year in which they occur.

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.

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

Notes to Consolidated financial Statements for the year ended March 31, 2018

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 (i.e weighted average value) is credited or charged to statement 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.

Sale consideration for the purpose of realised gain/loss is net of brokerage and taxes, if any, and excludes interest received on sale.

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

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.

Notes to Consolidated financial Statements for the year ended March 31, 2018

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 Financial Services Limited Provident Fund Trust” (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 Group 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 is determined on the basis of actuarial valuation at the 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 and the Income Computation and Disclosure Standards (ICDS) enacted in India . The tax rates and tax laws used to compute the amount are those

Notes to Consolidated financial Statements for the year ended March 31, 2018

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 (MHIL)

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).

Notes to Consolidated financial Statements for the year ended March 31, 2018

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) Claims Incurred

Claims incurred comprises of claims paid, change in estimated liability for outstanding claims, change in

Notes to Consolidated financial Statements for the year ended March 31, 2018

estimated liability for claims incurred but not reported (IBNR) and claims incurred but not enough reported (IBNER) and specific settlement costs comprising survey, legal and other directly attributable expenses.

Provision is made for estimated value of outstanding claims at the Balance Sheet date net of claims recoverable from reinsurance. Such provision is made on the basis of the ultimate amounts that are likely to be paid on each claim, established by the management in light of past experience and progressively modified for changes as appropriate, on availability of further information and include claim settlement costs likely to be incurred to settle outstanding claims.

IBNR and IBNER

Claims (net of amounts receivable from reinsurers/coinsurers) are recognized on the date of intimation based on estimates from surveyors/insured in the respective revenue accounts. The estimated liability for claims incurred but not reported (IBNR) and claims incurred but not enough reported (IBNER) has been estimated by the Appointed Actuary in compliance with guidelines issued by IRDA vide circular No. 11/IRDA/ACTL/IBNR/2005-06 dated June 8, 2005 and ALSM Regulation 2016 and applicable provisions of Guidance Note 21 issued by the Institute of Actuaries of India. The Appointed Actuary has used generally accepted actuarial methods for each product category as considered appropriate depending upon the availability of past data.

(b) Allocation of Investment Income

Investment income on policyholders' investments have been allocated to Revenue Account and Investment income on shareholders' investments have been allocated to Profit & Loss Account.

(c) 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 policyholder's fund and shareholder's funds respectively basis on mutual fund mapped and not available for distribution as dividend. As per the IRDAI circular dated January 12, 2017 fair value changes has been bifurcated between shareholder and policyholder.

(d) 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.

(e) 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.

(f) 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.

(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.

Notes to Consolidated financial Statements for the year ended March 31, 2018

4. Share Capital

	(Rs. in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Authorised shares (Nos.)		
300,000,000 (March 31, 2017: 300,000,000) equity shares of Rs. 2/- each	6,000.00	6,000.00
	6,000.00	6,000.00
Issued, subscribed and fully paid-up shares (Nos.)		
268,383,065 (March 31, 2017: 267,270,049) equity shares of Rs. 2/- each fully paid up	5,367.66	5,345.40
	5,367.66	5,345.40

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

	March 31, 2018		March 31, 2017	
	No. of shares	(Rs. in Lakhs)	No. of shares	(Rs. in Lakhs)
Equity Shares				
At the beginning of the period	267,270,049	5,345.40	250,000	5.00
Cancelled during the year	-	-	(250,000)	(5.00)
Issued during the period - Fresh Allotment	-	-	266,983,999	5,339.68
Issued during the period - ESOP	11,116	22.26	286,050	5.72
Outstanding at the end of the period	268,383,065	5,367.66	267,270,049	5,345.40

4.2 Terms/rights attached to equity shares

The Holding 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 Holding 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 Group, 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 the Shareholder	March 31, 2018		March 31, 2017	
	No. of shares	% held	No. of shares	% held
Equity shares of Rs. 2/- each fully paid				
- Liquid Investment and Trading Private Limited	23,818,876	8.87%	23,818,876	8.91%
- Max Ventures Investment Holdings Private Limited	66,158,030	24.65%	66,158,030	24.75%
- Mohair Investment and Trading Company Private Ltd	13,690,570	5.10%	8,086,560	3.03%
- Reliance Capital Trustee Co Ltd A/C	14,601,201	5.44%	12,515,216	4.68%
- Xenok Limited	-	-	17,161,714	6.42%

Notes to Consolidated financial Statements for the year ended March 31, 2018

4.4 Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company, refer note 30.1.

4.5 Aggregate number of share issued for consideration other than cash during the period of five years immediately preceding the reporting date

The Company has issued total 1,399,066 shares (March 31, 2017: 286,050) during the period of five years immediately preceding the reporting date on exercise of options granted under the ESOP plan wherein part consideration was received in the form of employees services.

During financial year 2015-16, pursuant to Composite Scheme of Arrangement and order of Hon'ble High Court of Punjab and Haryana dated December 14, 2015 (Order) sanctioning the Composite Scheme of Arrangement involving Max Financial Services Limited (formerly Max India Limited), Max India Limited (formerly Taurus Ventures Limited) (the Company) and Max Ventures and Industries Limited (formerly Capricorn Ventures Limited), the Company allotted 266,983,999 equity shares on May 14, 2016, in the ratio of 1 equity share of Rs. 2 each fully paid up of the company for every one equity share of Rs. 2 each fully paid up, held by shareholder of Max Financial Services Limited on January 28, 2016 (record date).

5. Reserves and surplus

	(Rs. in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Capital reserve		
Balance as per last financial statements	117,701.43	117,701.43
Add: arising out of scheme of merger (Refer note 40)	(327.98)	-
Closing Balance	117,373.45	117,701.43
Securities Premium Account		
Balance as per last financial statements	133.53	-
Add: premium on issue of shares under ESOP	671.96	-
Add: transferred from stock option outstanding	129.15	133.53
Closing Balance	934.64	133.53
Employee stock option outstanding		
Balance as per last financial statements	198.37	227.34
Add/(less): compensation options granted during the year	93.66	104.56
Less : transferred to securities premium account	(129.15)	(133.53)
Closing Balance	162.88	198.37
Foreign Currency Translation Reserve		
Balance as per last financial statements	21.33	42.47
Increase/(decrease) during the year	18.27	(21.14)
Closing Balance	39.60	21.33
Surplus/ (deficit) in the statement of profit and loss		
Balance as per last financial statements	3,340.21	(8,074.56)
Add: Adjustment of taxes on account of merger	294.21	-
Add: Gain on dilution of stake in subsidiary / joint venture	105.86	16,034.50
(Less): loss for the year	(7,129.48)	(4,619.73)
Net Surplus in the statement of profit and loss	(3,389.20)	3,340.21
Total reserves and surplus	115,121.37	121,394.87

Notes to Consolidated financial Statements for the year ended March 31, 2018

6. Money received against share warrants

	(Rs. in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
19,384,854 (March 31, 2017: Nil) share warrants of Rs. 154.76/- each, partly paid up	7,500.00	-
	7,500.00	-

On May 11, 2017, the Board of Directors of the Company approved issuance of 19,384,854 share warrants at an exercise price of Rs. 154.76/- each on preferential basis to Mohair Investment and Trading Company Private Limited (one of the Promoter Group companies). Each warrant entitles the holder thereof to subscribe to one equity share of Rs. 2/- each in the equity share capital of the Company at a premium of Rs. 152.76/- per equity share. Each warrant is convertible into one equity share as per prevalent SEBI guidelines at any time before the expiry of 18 months from the date of allotment. The same has been approved in the Extra Ordinary General Meeting held on June 10, 2017.

The Allotment Committee in its meeting held on June 20, 2017 allotted the said warrants on receipt of Rs. 7,500.00 lakhs being 25% of the warrant subscription amount.

7. Long term borrowings

	(Rs. in Lakhs)			
	Non-current portion		Current maturities	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Term loans (Secured)				
From banks	39,216.03	49,234.73	821.80	8,528.42
From non-banking financial companies	23,214.78	2,843.64	1,556.76	190.63
Deferred payment liabilities (Unsecured)				
Deferred payment liabilities	107.90	-	37.39	40.22
Financial lease obligation (Secured)	124.93	161.09	49.30	40.95
Vehicle loans (Secured)	211.78	215.01	124.52	86.30
	62,875.42	52,454.47	2,589.77	8,886.52
The above amount includes				
Secured borrowings	62,767.52	52,454.47	2,552.38	8,846.30
Unsecured borrowings	107.90	-	37.39	40.22
Amount disclosed under the head "other current liabilities" (note 12)	-	-	(2,589.77)	(8,886.52)
	62,875.42	52,454.47	-	-

7.1 Term loans from banks

Max Healthcare Institute Limited (MHIL) and its subsidiaries

- Loan of Rs.11,735.98 (March 31, 2017: Rs. 8,905.49 Lakhs) from IDFC Bank obtained by MHIL repayable in 52 quarterly installments starting from April, 2018.

The above loan is secured by:

- A First mortgage and charge on entire immovable properties of the borrower pertaining to Max Saket Hospital and Max Shalimar bagh Hospital, both present and future.
- A first charge by way of hypothecation of entire movable PPE (except the movable current assets) of

Notes to Consolidated financial Statements for the year ended March 31, 2018

MHIL, including but not limited to goodwill and uncalled capital, intellectual property, both present and future, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, and all other movable PPE of whatsoever nature but excluding the movable properties financed by specific vehicle/equipment finance loans.

- (c) A charge on the entire current assets including cash flows, receivables, books debts, revenues, raw material, stock-in-trade, and inventory of the Borrower of whatsoever nature and wherever arising, both present and future (subject to a prior charge in favor of working capital Lenders restricted to working capital limits of Rs. 7,500 Lakhs in aggregate).
- (d) A first charge/mortgage/assignment, as the case may be, of -(a) all the rights, title, interest, benefits, claims and demands whatsoever of MHIL in the project document (including the documents given in schedule 2), duly acknowledged and consented to by the relevant counter-parties to such project Documents, all as amended, varied or supplemented from time to time (b) subject to applicable Law, all the rights, title, interest, benefits, claims and demands whatsoever of MHIL in the Clearance, and (c) all the rights, title, interest, benefits, claims and demands whatsoever of MHIL in any letter of credit guarantee, performance bond, corporate guarantee, bank guarantee provided by any party to the Project Document, (d) all the right , title, interest, benefits claims and demands whatsoever of MHIL under all insurance contracts.

Security interest set out in sub clause (c) shall be subject to the first prior charge of only working capital facility lenders to the extent of Rs. 75 crore.

Security interest set out in sub clauses (a), (b) and (d) to (g) shall rank pari-passu amongst the lenders of the Borrower for an aggregate rupee loan of upto Rs. 340 Crore.

- ii) Rs. 1,490.93 Lakhs (March 31, 2017 : Rs. NIL) from Indusind Bank Limited repayable in 159 monthly installments from June, 2019 is secured by way of :
 - (a) Charge on the entire current assets, both present and future, subject to the first prior charge of only Working Capital facility lenders to the extent of Rs. 75 Crores.
 - (b) First PP Charge on the moveable property, plant & equipment (excluding vehicles specifically charged to lenders who have financed those assets) including medical equipment (except medical equipment specifically charged to lenders who have financed those assets), movable plant and machinery, spares etc. of the Borrower with IDFC Bank Ltd and IDFC Infrastructure Debt Fund.
 - (c) First PP Charge on the intangible asset of the borrower but not limited to Goodwill and uncalled capital, intellectual property, both present and future.
 - (d) First PP charge by the way of mortgage on the entire immoveable property, plant and equipment of the borrower situated at Max Saket Hospital and Max Shalimar Bagh Hospital both present and future.
- iii) Loan of Rs. 745.47 (March 31, 2017: Rs. 689.21 Lakhs) from HDFC Bank Limited repayable in 20 structured quarterly installments starting from November 2019.

The above loan is secured by:

- (a) First charge by way of hypothecation on movable PPE including movable plant and machinery, medical equipment, machinery spares, tools and accessories, furniture, fixtures and all other movable assets present and future.
- (b) First charge on all the book debts, operating cash flows, receivables and revenue of what so ever nature, all current assets, operating cash flow, commissions and revenue, present and future, intangibles, goodwill uncalled capital, present and future, pari passu with the working capital facility of Rs. 5 Crore.
- (c) Corporate guarantee by MHIL.
- iv) Term loan of Rs. 6,682.35 Lakhs (March 31, 2017: Rs. 5,703.43 Lakhs) Term Loan from Axis bank are secured by first charge on the entire movable/ immovable property, plant and equipments, of MHIL, both present and future, excluding vehicles specifically charged to other lenders, both present and future and first charge

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on all the current assets of MHIL and collaterally secured by way of Corporate Guarantee of MHIL. The term loan is having a moratorium of 2.25 years repayable quarterly from Dec 31, 2017 in 9 year and 6 months.

- v) Term loan of Rs. 7,176.35 Lakhs (March 31, 2017: Rs.6,634.32 Lakhs) from Yes Bank Limited repayable in 48 structured quarterly installments from November 2018.

The above loan is secured by:

- (a) A First pari passu charge on all Borrower's movables and immovables (if any acquired in future), including but not limited to movable plant and machinery, machinery, spares, tools and accessories, furniture, fixtures, and all other movable assets intangible, goodwill, uncalled capital, both present and future
 - (b) A First pari passu charge by way of assignment/hypothecation/creation of security interest, including but not limited to, of all the rights, title, interest, benefits, claims and demands, whatsoever of the Borrower in all documents executed by the borrower with SHRC including but not limited to the Hospital Service Agreement both present and future.
 - (d) Pledge of 25.50% share capital (on a fully diluted basis) of the Borrower (in compliance with BR Act) and option to increase it to 51% subject to inclusion of new lenders; and
 - (e) Negative lien for the remaining 21% shareholding of the Borrower. Total aggregate percentage of Pledge and negative lien not to exceed 51% of share capital at any time
 - (f) Corporate guarantee by Max Healthcare Institute Limited (MHIL)
- vi) Term loan of Rs. 6,800.63 Lakhs (March 31, 2017: Rs.5,791.64 Lakhs) from Axis Bank Limited repayable in 52 structured quarterly installments from January 2019.

The above loan is secured by:

- (a) First Pari passu charge over all movable fixed assets both present and future and immovable (if any acquired in future) of the borrower.
 - (b) First pari passu charge over all current assets (both present and future) of the borrower.
 - (c) First pari passu charge on book debts operating cash flow, receivables, commission, revenues, intangibles, goodwill (of whatsoever nature and wherever arising) of the borrower.
 - (d) Unconditional and irrevocable Corporate Guarantee of Max Healthcare Institute Ltd. to remain valid during entire tenor of facilities.
 - (e) Assignment of all borrowers rights under the services agreement and any other such agreement for providing any other services to Saket City Hospital Pvt. Ltd. Letter of Credit, guarantee, or performance bond provide by any party for any contract related to the Hospital project in favor of the borrower on first pari passu basis.
 - (f) Assignment of all the contracts, documents insurance policies, rights, titles, permits/ approvals, clearances and interest of the borrowers pertaining to the Hospital project on first pari passu basis.
 - (g) Pledge of 25.5% equity shares of the Borrowers held by MHIL.
- vii) Term Loan from banks includes Rs. 2,881.47 Lakhs (March 31, 2017: Rs. 2,668.15 Lakhs) raised from IDFC Bank Limited repayable in 52 structured quarterly installments from June 2018.

The above Loan is secured by:

- (a) A first charge by way of hypothecation of entire movable properties (except the movable current assets) of MHIL, both present and future, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable properties of whatsoever nature but excluding the movable properties financed by specific vehicle/equipment finance loans.

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- (b) A Charge on the entire current assets including cash flows, receivables, book debts revenues, raw material, stock-in-trade, and inventory of the Borrower, of whatsoever nature and wherever arising, both present and future.
- (c) First Pari Passu charge on all receivables, current assets, present and future, of the Borrower.
- (d) A first charge/mortgage/assignment, as the case may be, of -(a) all the right, title, interest, benefits, claims and demands whatsoever of MHIL in the Project Documents (including the documents given in Schedule 2), duly acknowledged and consented to by the relevant counterparties to such Project Documents all as amended, varied or supplemented from time to time; (b) subject to Applicable Law, all the rights, title, interest, benefits, claims and demands whatsoever of MHIL in the Clearances, and (c) all the rights, title interest, benefits, claims and demands whatsoever of MHIL in any letter of credit, guarantee, performance bond, Corporate guarantee, bank guarantee provided by any party to the project Documents; (d) all the right, title, interest, benefits claims and demands whatsoever of MHIL under all Insurance Contracts;
- (e) An irrevocable and unconditional Corporate Guarantee of the Guarantor.

Security interest set out in sub clause (b) shall be subject to the first prior charge of only working capital facility lenders to the extent of INR 1,000 Lakhs.

Security interest set out in sub clauses (a), (c) and (d) shall rank pari-passu amongst the lenders of the Borrower for an aggregate rupee loan of up to INR 11,900 Lakhs.

- viii) Term Loan from banks includes Rs. 2,524.64 Lakhs (March 31, 2017: Rs. 2,337.33 Lakhs) raised from IDFC Bank Limited repayable in 52 structured quarterly installments from June 2018.

The above Loan is secured by:

- (a) A first charge by way of hypothecation of entire movable properties (except the movable current assets) of MHIL, both present and future, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable properties of whatsoever nature but excluding the movable properties financed by specific vehicle/equipment finance loans.
- (b) A Charge on the entire current assets including cash flows, receivables, book debts revenues, raw material, stock-in-trade, and inventory of the Borrower, of whatsoever nature and wherever arising, both present and future.
- (c) A first charge/mortgage/assignment, as the case may be, of -(a) all the right, title, interest, benefits, claims and demands whatsoever of MHIL in the Project Documents (including the documents given in Schedule 2), duly acknowledged and consented to by the relevant counterparties to such Project Documents all as amended, varied or supplemented from time to time; (b) subject to Applicable Law, all the rights, title, interest, benefits, claims and demands whatsoever of MHIL in the Clearances, and (c) all the rights, title interest, benefits, claims and demands whatsoever of MHIL in any letter of credit, guarantee, performance bond, Corporate guarantee, bank guarantee provided by any party to the project Documents; (d) all the right, title, interest, benefits claims and demands whatsoever of MHIL under all Insurance Contracts;
- (d) An irrevocable and unconditional Corporate Guarantee of the Guarantor.

Security interest set out in sub clause (b) shall be subject to the first prior charge of only working capital facility lenders to the extent of INR 1,000 Lakhs.

Security interest set out in sub clauses (a), (c) and (d) shall rank pari-passu amongst the lenders of the Borrower for an aggregate rupee loan of up to INR 9,500 Lakhs.

7.2 Term loan from non-banking financial companies

MHIL and its Subsidiaries

- (i) Term loan of Rs. 96.41 Lakhs (March 31, 2017: Rs. 279.31 Lakhs) from SREI Equipment Finance Private Limited

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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 financial institutions includes Rs. 693.28 Lakhs (March 31, 2017: Rs. 640.96 Lakhs) from IDFC Infrastructure Finance Limited repayable in 52 structured quarterly installments from May 2018.

The above loans are secured by following:

- (a) A first charge by way of hypothecation of entire movable PPE (except the movable current assets) of the Company, including but not limited to goodwill and uncalled capital, intellectual property, both present and future, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, and all other movable PPE of whatsoever nature but excluding the movable properties financed by specific vehicle/equipment finance loans.
- (b) A charge on the entire current assets including cash flows, receivables, books debts, revenues, raw material, stock-in-trade, and inventory of the Borrower of whatsoever nature and wherever arising, both present and future.
- (c) A first charge/mortgage/assignment, as the case may be, of -(a) all the rights, title, interest, benefits, claims and demands whatsoever of the Company in the project document (including the documents given in schedule 2), duly acknowledged and consented to by the relevant counter-parties to such project Documents, all as amended, varied or supplemented from time to time (b) subject to applicable Law, all the rights, title, interest, benefits, claims and demands whatsoever of the Company in the Clearance, and (c) all the rights, title, interest, benefits, claims and demands whatsoever of the Company in any letter of credit guarantee, performance bond, corporate guarantee, bank guarantee provided by any party to the Project Document, (d) all the right, title, interest, benefits claims and demands whatsoever of the Company under all insurance contracts.
- (d) An irrevocable and unconditional Corporate Guarantee of the Guarantor.

Security interest set out in sub clause (b) shall be subject to the first prior charge of only working capital facility lenders to the extent of INR 1,000 Lakhs.

Security interest set out in sub clauses (a), (c) and (d) shall rank pari-passu amongst the lenders of the Borrower for an aggregate rupee loan of up to INR 11,900 Lakhs.

- iii) Rs. 2,285.68 Lakhs (March 31, 2017: Rs. 2,113.68 Lakhs) from IDFC Infrastructure Finance Limited repayable in 52 structured quarterly installments from May 2018.

The above Loan is secured by:

- (a) A First Mortgage and Charge on entire immovable properties of the Company pertaining to Max Saket Hospital and Max Shalimar bagh Hospital, both present and future.
- (b) A first charge by way of hypothecation of entire movable PPE (except the movable current assets) of the Company, including but not limited to goodwill and uncalled capital, intellectual property, both present and future, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, and all other movable PPE of whatsoever nature but excluding the movable properties financed by specific vehicle/equipment finance loans.
- (c) A charge on the entire current assets including cash flows, receivables, books debts, revenues, raw material, stock-in-trade, and inventory of the Borrower of whatsoever nature and wherever arising, both present and future (subject to a prior charge in favor of working capital Lenders restricted to working capital limits of Rs. 7,500 Lakhs in aggregate).
- (d) A first charge/mortgage/assignment, as the case may be, of -(a) all the rights, title, interest, benefits, claims and demands whatsoever of the Company in the project document (including the documents given in schedule 2), duly acknowledged and consented to by the relevant counter-parties to such project Documents, all as amended, varied or supplemented from time to time (b) subject to applicable Law, all the rights, title, interest, benefits, claims and demands whatsoever of the Company in the

Notes to Consolidated financial Statements for the year ended March 31, 2018

Clearance, and (c) all the rights, title, interest, benefits, claims and demands whatsoever of the Company in any letter of credit guarantee, performance bond, corporate guarantee, bank guarantee provided by any party to the Project Document, (d) all the right , title, interest, benefits claims and demands whatsoever of the Company under all insurance contracts.

Security interest set out in sub clause (c) shall be subject to the first prior charge of only working capital facility lenders to the extent of INR 7,500 Lakhs.

Security interest set out in sub clauses (a), (b) and (d) shall rank pari-passu amongst the lenders of the Borrower for an aggregate rupee loan of up to INR 34,000 Lakhs.

Antara Purukul Senior Living Limited (APSL)

Term loan from Aditya Birla Finance Limited is Rs. 21,696.16 Lakhs (including current maturities of long term borrowings Rs. 1,416.16 Lakhs) (previous year with Axis bank Limited: Rs. 25,033.89 Lakhs, including current portion of Rs. 8,344.63) together with interest, additional interest, further interest, liquidated damages, costs, charges, expenses and all other monies whatsoever payable by the Company is secured by the following security interest created in favour of the Bank or the Security Trustee:

- a) Exclusive Charge by way of Equitable mortgage for facility 1 & 3 and Registered mortgage for facility 2, of the land on which Antara Purukul Senior Living Limited has built a senior living community" ('Project') admeasuring 13.5 acres situated at village chak Soloniwala Dehradun, owned by APSL and all the unleased flats.
- b) Exclusive charge by way of hypothecation on entire current assets (including receivables both present and future) and movable fixed assets (excluding vehicles hypothecated to the financiers of the vehicles) of Aantara Purukul Senior Living Limited and Antara Senior Living Limited, both present and future.
- c) Exclusive charge over designated account and over all cash flows of Antara Purukul Senior Living Limited APSL and Antara Senior Living including but not limited to cash flows arising out of sales / leasing of area /project receipts/all other cash flows pertaining to project.
- d) Exclusive charge by way of hypothecation /mortgage/assignment as the case may be of; and
 - (i) All the FSI ,rights,title,interest, benefits, claims and demands whatsoever of the company and ASL in respect of the project, in the project documents, all as amended, varied or supplemented from time to time;
 - (ii) Subject to applicable law, all the rights, title, interest, benefits, claims and demands whatsoever of the Company and ASL in the clearances, and
 - (iii) all the rights, title, interest, benefits, claims and demands whatsoever of the Company and ASL in any letter of credit, guarantee, performance bond , guarantee, bank guarantee provided by any vendor/contractor/party to the Company and ASL in relation to the project.
- e) Corporate Guarantees of Max India Limited.

The loan is repayable in 72 structured monthly installments from January, 2018 with an option to prepay.

7.3 Deferred payment liabilities represent amount payable for the acquisition of capital goods and are repayable over a period of three years.

7.4 Finance lease obligation is secured by hypothecation of medical equipments underlying the leases repayable in 20 quarterly installments commencing from December 2011.

7.5 Vehicle Loans Rs. 336.30 Lakhs (March 31, 2017: Rs. 301.31 Lakhs) are secured by way of hypothecation of respective vehicles. The loans are repayable in 1 to 5 years.

Notes to Consolidated financial Statements for the year ended March 31, 2018

8. Deferred tax liabilities

	(Rs. in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Deferred tax liability		
Property, Plant and Equipment: Impact of difference between tax depreciation and depreciation/amortisation charged for the financial reporting	768.54	769.36
Gross deferred tax liability	768.54	769.36
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	840.98	838.85
Gross deferred tax assets	840.98	838.85
Net deferred tax liability	(72.44)	(69.49)

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 recognised only to the extent of deferred tax liabilities in those subsidiaries/joint ventures, since there is no convincing evidence which demonstrates virtual certainty of realisation of such deferred tax asset in the near future.

9. Other long term liabilities

	(Rs. in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Other liabilities		
Advances from customers	23,115.38	17,643.16
Lease equalisation reserve	833.55	767.20
Security deposits received	1,568.62	162.39
Retention money payable	43.59	480.39
	25,561.14	19,053.14

10. Provisions

	(Rs. in Lakhs)			
	Long - term		Short - term	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Provision for employee benefits				
Provision for leave benefits	-	-	1,210.80	1,142.91
Provision for gratuity (note 25.1)	1,316.92	1,083.88	207.84	223.78
Provision for phantom stock options	76.26	-	67.79	46.68
Provision for long term incentive plan	-	-	1.86	303.00
Other provisions				
Provision for reserve for unexpired risk	-	-	29,396.18	28,208.10
Provision for income tax (net of advance tax)	-	-	31.13	112.74
Provision for restoration expenses under PPP	116.89	88.54	-	-
	1,510.07	1,172.42	30,915.60	30,037.21

Notes to Consolidated financial Statements for the year ended March 31, 2018

11. Short term borrowings

	(Rs. in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Loans repayable on demand		
Cash credit from banks (secured)	4,817.58	3,999.30
Short term loan from banks (unsecured)	368.26	-
	5,185.84	3,999.30
The above amount includes		
Secured borrowings	4,817.58	3,999.30
Unsecured borrowings	368.26	-
	5,185.84	3,999.30

Max Healthcare Insittute Limited (MHIL) and its subsidiaries

- (i) Cash credit loan of Rs. 304.65 Lakhs (March 31, 2017: Rs.142.44 Lakhs) from Yes Bank Limited bearing interest @ yes bank base rate plus 1.15% i.e presently @ 9.55% per annum payable monthly and is secured by way of :
- First pari passu charge over all movable property, plant and equipment (both present and future) and immovable (if any acquired in future) of the borrower.
 - First pari passu charge over all current assets (both present and future) of the borrower.
 - First pari passu charge on book debts, operating cash flows, receivables, commissions, revenues, intangibles, goodwill (of whatsoever nature and wherever arising) of the borrower.
 - Unconditional and irrevocable corporate guarantee of Max Healthcare Institute Limited to remain valid during entire tenor of facilities.
 - assignment of all borrowers rights under the service agreement and any other such agreement for providing any other services to Saket City Hospitals Private Limited, letter of credit, guarantee, or performance bond provided by any party for any contract related to the Hospital project in favor of the borrower on first pari passu basis.
 - Assignment of all the contracts, documents, insurance policies, rights, titles, permits/approvals, clearances and interest of the borrower pertaining to the Hospital project on first pari passu basis.
 - Pledge of 25.5% equity shares of the borrower held by Max Healthcare Institute Limited.
- (ii) Cash credit loan of Rs. 37.77 Lakhs (March 31, 2017: Nil) from Axis Bank Limited base rate plus 1.95% i.e presently @ 10.90% payable monthly and is secured by way of :
- A first pari passu charge over Company's all present and future, moveable and immoveable asset, intangible assets and uncalled capital.
 - Pledge of 25.5% equity shares of the company held by Max Healthcare Institute Limited, the holding company and option to increase it to 51% subject to inclusion of new lenders.
 - Unconditional and irrevocable corporate guarantee of the holding Company, Max Healthcare Institute Limited, to remain valid during entire tenor of facilities.
 - Further, there is negative lien for 21% shareholding of the Company. Total aggregate percentage of pledge and negative lien not to exceed 51% of the share capital at any time.
 - First pari passu charge on all receivables, current assets, present and future, of the borrower.
 - A first pari passu charge by way of assignment/hypothecation/creation of security interest, including but not limited to, of all the rights, title, interest, benefit, claims and demands whatsoever of the borrower

Notes to Consolidated financial Statements for the year ended March 31, 2018

in all documents executed by the borrower with SHRC including but not limited to the hospital service agreement, both present and future.

- (iii) Cash credit facilities from bank for the company Homtrail Estate Private Limited and Homtrail Buildtech Private Limited is secured by:
- First charge by way of hypothecation of the Hometrail Estate Private Limited and Hometrail Buildtech Private Limited entire current assets (present and future) to the extent allowed by existing term lenders and except escrow account with the Government of Punjab.
 - Second charge on entire movable fixed assets (excluding Vehicles) as provided to first charge holders of the Company both present and future.
- (iv) Cash credit from bank is secured by way of hypothecation charge on entire current assets of the Alps Hospitals Limited. The cash credits are repayable on demand.
- (v) Loan of Rs. 368.26 Lakhs (March 31, 2017 : Nil) from Indusind Bank Limited repayable by July 25, 2018 & is secured by way of hypothecation charge on entire current assets of the Company
- (vi) Cash credits from banks is secured by way of prior pari – passu charge on stocks, book debts and other current assets, present and future of the Max Healthcare Institute Limited prior to charge in favor of term lenders of the Company. The cash credits are repayable on demand.
- (vii) Working capital facilities from Axis bank (Sanctioned Limit Rs 2,000 Lacs) to the extent of Rs. 818.02 Lakhs (March 31, 2017 : Rs. 680.48 Lkhs) secured by way of first charge on entire movable / immovable fixed assets of the company both present and future, excluding vehicles specially charged to other lenders, both present and future and first charge on all the current assets of the Company and collaterally secured by way of Corporate Guarantee of Max Healthcare Institute Limited.

12. Other current liabilities

	(Rs. in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Trade payables		
• Total outstanding dues of micro enterprises and small enterprises (refer note 12.1)	-	-
• Total outstanding dues of creditors other than micro enterprises and small enterprises	32,091.17	24,389.72
Other liabilities		
Current maturities of long-term borrowings (note 7)	2,540.47	8,845.57
Current maturity of finance lease obligation (note 7)	49.30	40.95
Unearned Revenue - Premium received in advance	39.28	-
Interest accrued but not due on borrowings	225.08	232.83
Interest accrued and due on borrowings	46.84	-
Advance from customers and policyholders	2,365.14	1,861.34
Claims outstanding (includes claims pending investigation)	5,220.05	5,312.06
Unclaimed amount - policyholders	155.83	177.17
Other liabilities		
Security deposit received	276.96	250.34
Statutory dues payable	2,270.85	1,369.86
Unexpired discount on forward contracts	17.15	39.19
Capital creditors	2,413.04	2,894.62
Others	739.88	310.79
	16,359.87	21,334.72
	48,451.04	45,724.44

Notes to Consolidated financial Statements for the year ended March 31, 2018

12.1. Details of dues to Micro and Small Enterprises as per MSMED Act, 2006

	(Rs. in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
The principal amount due and remaining unpaid to any supplier as at the end of each accounting year.	Nil	Nil
The interest due on unpaid principal amount remaining as at the end of each accounting year.	Nil	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	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	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year; and,	Nil	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	Nil

13. Property, plant and equipment

	(Rs. in Lakhs)										
	Land (Freehold)	Land (Leasehold)	Building	Plant & Equipment	Furniture & Fixtures	Office Equipments	Vehicles	Leasehold Improvements	Electrical Installations & Equip- ments	Computer & Data pro- cessing Units	Total
Cost											
Opening balance	5,884.67	3,753.71	19,387.71	32,181.56	2,958.29	1,745.68	1,277.77	6,027.29	1,747.77	3,881.27	78,845.72
Additions	122.26	-	39,912.20	10,868.23	1,916.33	549.88	269.66	457.95	240.79	1,397.53	55,734.83
Deletions/ Adjustments (Note 14.2)	(2,513.69)	-	-	(8,029.39)	(330.06)	(169.96)	(187.58)	(620.12)	(92.98)	(246.84)	(12,190.62)
Adjustment on account of acquisition	-	306.31	1,185.94	2,580.77	194.44	(10.90)	56.08	332.44	142.42	149.53	4,937.03
March 31, 2018	3,493.24	4,060.02	60,485.85	37,601.17	4,739.00	2,114.70	1,415.93	6,197.56	2,038.00	5,181.49	127,326.96
Depreciation											
Opening balance	-	-	2,826.69	15,225.34	1,859.51	1,226.61	430.19	3,485.45	929.24	2,634.36	28,617.39
Charge for the year	6.99	-	987.62	2,923.37	418.64	268.95	199.76	464.61	191.42	722.84	6,184.20
Deletions/ Adjustments (Note 14.3)	-	-	-	(4,851.09)	(309.17)	(155.51)	(115.71)	(618.57)	(81.04)	(242.99)	(6,374.08)
Adjustment on account of acquisition	-	-	171.95	1,160.47	120.40	15.84	16.07	33.98	76.46	111.67	1,706.84
March 31, 2018	6.99	-	3,986.26	14,458.09	2,089.38	1,355.89	530.31	3,365.47	1,116.08	3,225.88	30,134.35
Net Block											
March 31, 2017	5,884.67	3,753.71	16,561.02	16,956.22	1,098.78	519.07	847.58	2,541.84	818.53	1,246.91	50,228.33
March 31, 2018	3,486.25	4,060.02	56,499.59	23,143.08	2,649.62	758.81	885.62	2,832.09	921.92	1,955.61	97,192.61

Notes to Consolidated financial Statements for the year ended March 31, 2018

13.1 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 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.

13.2 Medical Equipment includes medical equipment taken on finance lease:

	(Rs. in Lakhs)	
	March 31, 2018	March 31, 2017
Gross Block	935.31	899.65
Depreciation charge for the year	92.93	98.77
Accumulated depreciation	424.92	375.94
Net book value	510.40	523.71

14. Intangible assets

	(Rs. in Lakhs)		
	Non compete fee	Computer Software	Total
Cost			
Opening balance	581.23	7,447.85	8,029.08
Additions	-	1,672.95	1,672.95
Deletions/ Adjustments	-	(85.08)	(85.08)
Adjustment on account of acquisition	47.45	196.76	244.21
March 31, 2018	628.68	9,232.48	9,861.16
Amortization			
Opening balance	143.43	4,750.55	4,893.98
Charge for the year	89.74	1,221.43	1,311.17
Deletions/ Adjustments	-	(71.97)	(71.97)
Adjustment on account of acquisition	58.92	81.93	140.85
March 31, 2018	292.09	5,981.94	6,274.03
Net Block			
March 31, 2017	437.80	2,697.30	3,135.10
March 31, 2018	336.59	3,250.54	3,587.13

14.1 Non compete fees represents amount paid to erstwhile owners of subsidiary of MHIL- Crossloy Remedies Private Limited as per the terms of share purchase agreement dated May 28, 2015. The non compete fees is amortised over a period of seven years.

14.2 Adjustments includes assets disposed off pertaining to discontinued operations. (Refer note 39.)

14.3 Includes depreciation of Rs.146.11 lakhs and amosrtisation of Rs.1.49 lakhs on assets disposed off under discontinued operations.

Notes to Consolidated financial Statements for the year ended March 31, 2018

15. Non- current investments

	(Rs. in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Non-trade investments (valued at cost unless stated otherwise)		
Health Insurance Business:		
Bonds(quoted)	7,577.86	9,081.26
Government and trust securities (quoted)	14,591.95	14,251.46
Term deposits (unquoted)	-	225.00
Investment in infrastructure & social sector (quoted)	15,547.10	12,068.57
Other approved securities (quoted)	5,655.22	5,145.40
	43,372.13	40,771.69
Pharmax Corporation Limited		
Max Speciality Films Limited (unquoted)		
Nil (March 31, 2017: 3,38,350) Equity Share of Rs 10/- each fully paid up	-	168.98
	-	168.98
	43,372.13	40,940.67
Aggregate market value of quoted investments	43,663.85	42,030.24
Aggregate amount of quoted investments	43,372.13	40,546.69
Aggregate amount of unquoted investments	-	393.98

16. Loans and advances

	(Rs. in Lakhs)			
	Non - Current		Current	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Capital advances				
Secured, considered good	-	81.20	-	-
Unsecured, considered good	9,321.29	10,107.92	-	-
A	9,321.29	10,189.12	-	-
Security deposits				
Unsecured, considered good	15,879.57	15,334.57	14.91	33.37
B	15,879.57	15,334.57	14.91	33.37
Advances recoverable in cash or in kind				
Secured, considered good	-	-	17.79	-
Unsecured, considered good	161.52	-	1,106.21	1,132.89
Doubtful	-	-	1,101.08	1,020.00
	161.52	-	2,225.08	2,152.89
Provision for doubtful advances	-	-	(1,101.08)	(1,020.00)
C	161.52	-	1,124.00	1,132.89
Intercompany deposits				
Unsecured, considered good	800.71	505.42	-	-
D	800.71	505.42	-	-
Other loans and advances (unsecured, considered good unless stated otherwise)				
Balances with statutory/government authorities	28.57	26.42	595.57	383.45
Prepaid expense	108.17	15.16	966.19	924.52
Loans to employees	1.04	3.54	4.81	13.76

Notes to Consolidated financial Statements for the year ended March 31, 2018

(Rs. in Lakhs)				
	Non - Current		Current	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
MAT credit entitlement	107.91	107.39	959.52	831.22
Advance income tax (net of provisions)	5,277.08	3,577.03	484.73	903.94
E	5,522.77	3,729.54	3,010.82	3,056.89
Total (A+B+C+D+E)	31,685.86	29,758.65	4,149.73	4,223.15

- i) The Group has till date recognised Rs. 1,067.43 Lakhs (March 31, 2017: Rs. 938.61 Lakhs) 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.

17. Trade receivables

(Rs. in Lakhs)				
	Non - Current		Current	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Unsecured, considered good unless stated otherwise				
Outstanding for a period exceeding six months from the date they are due for payment				
Unsecured, considered good	-	-	5,121.44	2,381.43
Doubtful	-	-	2,535.45	2,405.50
	-	-	7,656.89	4,786.93
Provision for doubtful receivables	-	-	(2,535.45)	(2,405.50)
A	-	-	5,121.44	2,381.43
Other receivables				
Unsecured, considered good	4,236.39	1,558.73	15,338.21	10,686.82
Doubtful	-	-	23.60	-
	4,236.39	1,558.73	15,361.81	10,686.82
Provision for doubtful receivables	-	-	(23.60)	-
B	4,236.39	1,558.73	15,338.21	10,686.82
Total (A+B)	4,236.39	1,558.73	20,459.65	13,068.25

Notes:

- a) On 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 Lakhs. 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 Lakhs. 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. 504.63 Lakhs (March 31, 2017: Rs. 437.53 Lakhs) 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.

Notes to Consolidated financial Statements for the year ended March 31, 2018

18. Other assets

(Rs. in Lakhs)				
	Non - Current		Current	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Unsecured, considered good unless stated otherwise				
Other Bank Balances (Note 20)				
Deposit with original maturity for more than 12 months	-	-	-	0.16
Marginal money deposit	33.65	35.72	3.34	3.21
Deposit under lien	18.51	15.95	61.32	147.71
Balance in escrow accounts*	-	-	3,912.48	148.37
Others				
Interest accrued on fixed deposits	3.84	4.85	19.39	10.71
Interest accrued on investments	-	-	1,782.88	2,092.71
Interest accrued on loans	-	-	624.11	624.28
Unbilled revenue	-	-	725.54	903.04
Property, plant and equipment held for sale	-	-	-	13.78
Export benefits receivables	-	-	21.92	80.69
Forward Recoverable	-	-	18.25	31.18
	56.00	56.52	7,169.23	4,055.84

* includes amount paid to Vikuj Healthcare Private Limited of Rs.3,622.63 Lakhs (Refer note 44)

19. Current investments

(Rs. in Lakhs)		
	As at March 31, 2018	As at March 31, 2017
Current investments		
Health Insurance Business:		
Investment in infrastructure & social sector (quoted)	6,292.41	1,000.00
Bonds (quoted)	7,407.23	500.00
Term deposits (unquoted)	5,977.00	6,869.00
Unit in mutual funds (unquoted)	2,488.32	6,316.06
Commercial paper (quoted)	1,031.00	7,281.16
	23,195.96	21,966.22
Other Business (valued at lower of cost and fair value, unless stated otherwise)		
Unquoted Mutual funds		
Aditya Birla Sun Life Cash Plus - Growth Direct Plan Growth	-	4,869.33
Nil (March 31, 2017: 1,895,100) units of Face value Rs. 100/- per unit fully paid		
DFHL Pramerica Insta Cash Plus Fund - Direct Plan Growth	-	1,481.74
Nil (March 31, 2017: 741,093) units of Face value Rs. 100/- per unit fully paid		
DSP BlackRock Liquidity Fund -Direct Growth	-	6,298.48
Nil (March 31, 2017: 280,058) units of Face value Rs. 1000/- per unit fully paid		
Franklin India Treasury Management Account Fund	2,210.95	-
86,669 (March 31, 2017: Nil) units of Face value Rs. 1000/- per unit fully paid		

Notes to Consolidated financial Statements for the year ended March 31, 2018

	(Rs. in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
<i>IDFC Cash Fund - Direct Plan Growth</i>	751.96	-
36,071 (March 31, 2017: Nil) units of Face value Rs. 1000/- per unit fully paid		
<i>JM High Liquidity Fund (Direct) Growth</i>	1,817.45	6,275.10
4,248,757 (March 31, 2017: 14,800,894) units of Face value Rs. 10/- per unit fully paid		
<i>Invesco India Liquid Fund Direct Plan Growth</i>	2,400.00	1,712.29
100,465 (March 31, 2017: 76,992) units of Face value Rs. 1000/- per unit fully paid		
<i>L&T India Liquid Fund- Direct Fund Growth</i>	3,005.13	3,020.01
136,772 (March 31, 2017: 140,003) units of Face value Rs. 1000/- per unit fully paid		
<i>UTI Money Market Fund - Direct Fund Growth</i>	1,975.10	6,395.00
102,804 (March 31, 2017: 356,604) units of Face value Rs. 1000/- per unit fully paid		
<i>Tata Liquid Fund Direct Plan - Growth</i>	-	68.41
Nil (March 31, 2017: 2,820) units of Face value Rs. 1000/- per unit fully paid		
<i>Tata Money Market Fund - Direct Fund Growth</i>	206.60	354.58
9,147 (March 31, 2017: 15,746) units of Face value Rs. 1000/- per unit fully paid		
<i>Birla Sun Life Cash Plus - Direct Plan</i>	337.72	100.00
136,374 (March 31, 2017: 47,885) units of Face value Rs. 1000/- per unit fully paid		
<i>ICICI Prudential Saving Fund-Growth</i>	10.00	10.00
21,330 (March 31, 2017: 21,330) units of Face value Rs. 100/- per unit fully paid		
<i>SBI Ultra Short Term debt Fund-Regular plan-Growth</i>	10.00	10.00
2,702 (March 31, 2017: 2,702) units of Face value Rs. 1000/- per unit fully paid		
<i>HDFC Liquid Fund- Direct Plan- Growth Option</i>	329.69	-
9,900 (March 31, 2017: Nil) units of Face value Rs. 1000/- per unit.		
<i>ICICI Prudential Liquid-Direct Plan-Growth</i>	324.93	
1,29,941 (March 31, 2017: Nil) units of Face value Rs. 100/- per unit.		
<i>Reliance Liquid Fund - Treasury Plan - Direct Growth Plan - Growth Option</i>	237.15	-
5,735 (March 31, 2017: Nil) units of Face value Rs. 1000/- per unit.		
<i>Axis Liquid fund - Direct Plan (CFDGG)</i>	85.61	1,757.73
4,557 (March 31, 2017: 98,078) units of Face value Rs. 1000/- per unit fully paid		
	13,702.29	32,352.67
	36,898.25	54,318.89
Aggregate market value of quoted investments	14,738.38	8,786.36
Aggregate amount of quoted investments	14,730.64	8,781.16
Aggregate amount of unquoted investments	22,167.61	45,537.73

20. Inventories (valued at lower of cost and net realisable value)

	(Rs. in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Stores and spares	145.74	13.54
Traded goods of pharmacy and pharmaceuticals supplies	1,405.12	1,065.93
	1,555.58	1,079.47

Notes to Consolidated financial Statements for the year ended March 31, 2018

21. Cash and bank balances

(Rs. in Lakhs)				
	Non - Current		Current	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Cash and cash equivalents				
Cash on hand	-	-	71.80	52.96
Cheques/drafts on hand	-	-	362.62	344.56
Balances with banks				
on current accounts	-	-	3,336.32	3,581.70
Deposits with original maturity of less than three months	-	-	1,065.66	817.89
	-	-	4,836.40	4,797.11
Other bank balances				
Deposits with remaining maturity for more than 3 months but less than 12 months	-	-	-	0.16
Deposits with remaining maturity for more than 12 months	-	-	-	-
Balance in escrow accounts	-	-	3,912.48	148.37
Margin money deposits	33.65	35.72	3.34	3.21
Deposit under lien	18.51	15.95	61.32	147.71
	52.16	51.67	3,977.14	299.45
Amount disclosed under other assets (note 17)	52.16	51.67	3,977.14	299.45
	-	-	4,836.40	4,797.11

Other bank balances includes deposits given as security

Rs. 1.00 Lakhs (March 31, 2017: Rs. 1.37 Lakhs) to secure bank guarantee given to sales tax authorities.

Rs. Nil (March 31, 2017: Rs. 2.74 Lakhs) to secure performance bank guarantee issued to customer.

Rs. 115.82 Lakhs (March 31, 2017: Rs. 198.64 Lakhs) to secure performance bank guarantee in favour of Government Authorities

22. Revenue from operations

(Rs. in Lakhs)		
	For the year ended March 31, 2018	For the year ended March 31, 2017
Sale of products		
Traded goods		
Pharmacy and pharmaceuticals supplies	7,598.21	6,812.69
	7,598.21	6,812.69
Sale of services		
Healthcare services	75,298.93	64,848.18
Health insurance premium (net)	57,585.42	54,428.10
Lease rentals	539.53	1,488.15
Training income	3,794.02	3,794.62
Shared services income	2,641.15	1,812.91
Others	1,890.23	164.71
	141,749.28	126,536.67
Other Operating revenue		
Income from investment activities		
Interest income on		

Notes to Consolidated financial Statements for the year ended March 31, 2018

	(Rs. in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Government securities	1,631.02	1,537.87
Bonds	2,063.29	1,680.73
Fixed deposits	616.82	962.19
Amortisation of discount/(premium)	442.56	322.04
Profit on sale of current investments	2,120.07	2,560.23
Option fee (Refer note 46)	-	627.70
	6,873.76	7,690.76
Other		
Other operating revenue from healthcare services		
- Sponsorship and educational income	425.91	224.22
- Income from ancillary activities	277.31	158.06
Export benefits	163.84	183.59
	867.06	565.87
Total Other operating revenue	7,740.82	8,256.63
Revenue from operations (net)	157,088.31	141,605.99

23. Other Income

	(Rs. in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest income on		
Inter corporate deposits	1,232.64	834.54
Fixed deposits	152.46	52.62
Others	335.94	138.30
Profit on sale of long term investment	183.82	-
Profit on sale of current investments	153.85	130.85
Liabilities/provisions no longer required written back	520.99	234.72
Income from deferred credit	504.63	437.53
Other non operating income	1,405.48	609.07
	4,489.81	2,437.63

24. (Increase) / decrease in traded goods

	(Rs. in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Inventories at end of year		
Traded goods - Pharmacy and pharmaceuticals supplies	1,405.12	1,065.93
	1,405.12	1,065.93
Inventories at beginning of the year		
Traded goods - Pharmacy and pharmaceuticals supplies	1,065.93	1,074.29
	1,065.93	1,074.29
(Increase)/ Decrease in traded goods	(339.19)	8.36
Less: Arising on account of change in stake	85.62	(9.33)
Net (Increase)/ decrease in traded goods	(253.57)	(0.97)
Details of inventory		
Traded goods		
Pharmacy and pharmaceuticals supplies	1,405.12	1,065.93
	1,405.12	1,065.93

Notes to Consolidated financial Statements for the year ended March 31, 2018

25. Employee benefits expense

	(Rs. in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries, wages and bonus	39,371.88	32,028.66
Contribution to provident and other funds	1,576.64	1,166.55
Employee stock option scheme (note 30.1)	44.75	20.06
Gratuity expense (note 25.1)	391.64	400.53
Staff welfare expenses	1,309.45	1,261.17
	42,694.36	34,876.97

25.1. 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 partly funded with Life Insurance Corporation of India and Max Life Insurance Company Ltd. in form of a qualifying insurance policy.

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 Lakhs)	
	Gratuity	
	March 31, 2018	March 31, 2017
Current service cost	331.07	276.25
Interest cost on benefit obligation	114.06	90.73
Expected return on plan assets	(22.74)	(35.00)
Net actuarial (gain) / loss recognized in the period	(36.57)	68.55
Past service cost	5.82	-
Net benefit expense	391.64	400.53
Actual return on plan assets	-	(1.84)

Balance sheet

	(Rs. in Lakhs)	
	Gratuity	
	March 31, 2018	March 31, 2017
Benefit asset/ liability		
Present value of defined benefit obligation	1,937.32	1,633.07
Fair value of plan assets	412.56	325.41
Funded Status	(1,524.76)	(1,307.66)
Plan asset / (liability)	(1,524.76)	(1,307.66)

Notes to Consolidated financial Statements for the year ended March 31, 2018

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

(Rs. in Lakhs)		
	Gratuity	
	March 31, 2018	March 31, 2017
Opening defined benefit obligation	1,633.07	1233.31
Value of obligation transferred on demerger	-	154.76
Interest cost	114.06	90.73
Current service cost	331.07	276.25
Past service cost	5.82	-
Benefits paid by fund	(38.67)	(47.79)
Benefits paid by employer	(71.46)	(175.36)
Actuarial (gains) / losses on obligation	(36.57)	101.17
Closing defined benefit obligation	1,937.32	1,633.07

Changes in the fair value of plan assets are as follows:

(Rs. in Lakhs)		
	Gratuity	
	March 31, 2018	March 31, 2017
Opening Fair value of plan assets	325.41	215.45
Expected return	22.74	20.32
Contributions by employer	101.52	104.81
Benefits paid	(38.67)	(47.79)
Actuarial gains / (losses)	1.56	32.62
Closing fair value of plan assets	412.56	325.41

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

	Gratuity	
	March 31, 2018	March 31, 2017
Discount rate	6.95%-7.80%	6.60%-7.35%
Expected rate of return on assets	7.00%-10.00%	7.00%-23.13%
Retirement Age	58-65 years	58-67 years
Employee turnover	1%-72.3%	1%-72.3%

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 year are as follows:

	March 31, 2018	March 31, 2017	March 31, 2016
Defined benefit obligation	1,937.32	1,633.07	1,233.31
Plan assets	412.56	325.41	215.46
Surplus / (deficit)	(1,524.76)	(1,307.66)	(1,017.85)
Experience adjustments on plan liabilities	-	5.65	(11.12)
Experience adjustments on plan assets	-	0.19	(1.85)

Notes to Consolidated financial Statements for the year ended March 31, 2018

25.2. Provident Fund

In prior year, in terms of the Composite Scheme of Arrangement amongst Max Financial Services Limited (formerly known as Max India Limited), Max India Limited (formerly known as Taurus Ventures Limited) and Max Ventures and Industries Limited (formerly known as Capricorn Ventures Limited) sanctioned by the Hon'ble High Court of Punjab & Haryana at Chandigarh vide letter dated December 14, 2015, the Company is contributing to a provident fund trust "Max Financial Services Limited Employees Provident Trust Fund". 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 Financial Services Limited Employees Provident Trust Fund" which is a common fund for Max India Limited and its group companies based on assumptions provided below.

The details of fund and plan asset position as at March 31, 2018 as per the actuarial valuation of active members are as follows:

	(Rs. in Lakhs)	
	March 31, 2018	March 31, 2017
Plan assets at year end at fair value	15,102.38	12,308.44
Present value of defined benefit obligation at year end	14,893.90	12,150.32
Surplus as per actuarial certificate	208.48	158.12
Shortfall recognised in balance sheet	-	-
Active members as at year end (Nos)	6,258	5,405

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

	March 31, 2018	March 31, 2017
Discount rate for the term of the obligation	7.18%	6.67%
Average historic yield on the investment portfolio	8.94%	8.79%
Discount rate for the remaining term to maturity of the investment portfolio	7.18%	6.67%
Expected investment return	8.94%	8.79%
Guaranteed rate of return	8.55%	8.65%

26. Other expenses

	(Rs. in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Claims and other benefits payout	28,294.74	27,856.25
Agents' commission for health insurance business	2,267.27	5,897.10
Policy issuance cost	825.61	720.17
Professional and consultancy Fees	18,575.33	16,222.86
Legal and professional	7,384.12	7,161.74
Concession Fee	722.42	682.78
Management service charges	745.00	745.00
Power and fuel	2,433.58	2,075.55

Notes to Consolidated financial Statements for the year ended March 31, 2018

	(Rs. in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Recruitment and training expenses	618.41	823.99
Outside lab investigation	635.45	503.65
Patient catering expenses	818.02	795.89
Rent	3,364.26	2,930.26
Insurance	625.54	516.85
Rates and taxes	623.89	464.43
Repairs and maintenance:		
Building	769.06	707.25
Plant and equipments	1,606.10	1,788.31
Others	4,399.21	3,546.63
Printing and stationery	553.22	543.82
Travelling and conveyance	1,982.29	1,798.75
Communication	946.56	988.84
Directors' sitting fee	228.58	198.12
Commission to other than sole selling agents	31.76	19.49
Branding, advertisement and publicity	6,232.39	5,823.48
Provision for doubtful debts and advances	36.28	471.72
Net loss on sale/disposal of fixed assets	14.15	36.14
Doubtful advances written off	363.47	151.22
Charity and donation	53.72	30.69
Net loss on foreign exchange fluctuation	107.54	1.21
Provision for delay of possession	88.15	208.38
CSR Expenditure	53.12	65.87
Miscellaneous expenses	741.89	421.44
	86,141.13	84,197.88

26.1 As per Section 135 of the Companies Act, 2013, a corporate social responsibility (CSR) committee has been formed by the Company. The areas for CSR activities are promoting healthcare and rural development projects. The Group has provided for and spent Rs. 53.12 Lakhs (March 31, 2017: Rs. 65.87 Lakhs) on various CSR initiatives, during the year, on the projects mentioned below:-

	(Rs. in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
(i) Construction / acquisition of any assets	-	-
(ii) On purpose other than (i) above		
Healthcare activities	35.62	28.75
NGO work on healthcare platform	-	21.00
Rural development project	17.50	16.12
	53.12	65.87

The above contribution of Rs. 53.12 Lakhs (March 31, 2017: Rs. 65.87 Lakhs) has been made to an enterprise owned or significantly influenced by key managerial personnel or their relatives i.e. Max India Foundation, a trust registered under Indian Trust Act, 1882, with the main objective of working in the area of healthcare and rural development projects.

Notes to Consolidated financial Statements for the year ended March 31, 2018

27. Depreciation and amortization expense

	(Rs. in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Depreciation of property, plant and equipment	6,038.09	4,384.54
Amortization of intangible assets	1,309.68	939.10
	7,347.77	5,323.64

28. Finance cost

	(Rs. in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest	7,080.46	4,871.50
Bank charges	751.00	398.85
	7,831.46	5,270.35

29. Earnings per share (EPS)

	(Rs. in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Total operations		
Basic EPS (Nominal value of share Rs 2 each)		
Loss after tax (after adjusting minority interest) (Rs. in Lakhs)	(7,129.48)	(4,619.73)
Net loss for calculation of basic EPS	(7,129.48)	(4,619.73)
Weighted average number of equity shares outstanding during the year (Nos.)	267,986,308	267,112,526
Basic Earnings Per Share (Rs.)	(2.66)	(1.73)
Dilutive EPS (Nominal value of share Rs 2 each)		
Equivalent weighted average number of employee stock options outstanding	1,548,739	2,384,982
Weighted average number of equity shares outstanding during the year for dilutive earnings per share (Nos)	269,535,047	269,497,508
Diluted Earnings Per Share (Rs.)*	(2.66)	(1.73)
Continuing operations		
Loss after tax from continuing operations (Rs. in Lakhs)	(7,620.49)	(5,400.83)
Weighted average number of equity shares outstanding during the year (Nos.)	267,986,308	267,112,526
Net profit for calculation of basic EPS	(2.84)	(2.02)
Dilutive EPS (Nominal value of share Rs 2 each)		
Equivalent weighted average number of employee stock options outstanding	1,548,739	2,384,982
Weighted average number of equity shares outstanding during the year for dilutive earnings per share (Nos)	269,535,047	269,497,508
Net profit/(loss) for calculation of diluted EPS	(2.84)	(2.02)

*Note: The conversion effect of potential dilutive equity shares are anti dilutive in nature, hence the effect of potential equity shares are ignored in calculating diluted earnings per share.

Notes to Consolidated financial Statements for the year ended March 31, 2018

30. Max India Employee Stock Plan

30.1. Max India Limited

Max India Employee Stock Plan – 2016 (“the 2016 Plan”):

The Company had instituted the 2016 Plan, which was approved by the Board of Directors on March 29, 2016 and by the shareholders on September 27, 2016. The 2016 Plan provides for grant of stock options aggregating not more than 5% of number of issued equity shares of the Company to eligible employees of the Company. The 2016 Plan is administered by the Nomination and Remuneration Committee appointed by the Board of Directors. Under the plan, the employees receive shares of the Company upon completion of vesting conditions such as rendering of services across vesting period. The Option Price is determined by the Nomination and Remuneration Committee, from time to time, in accordance with the provisions of applicable law, provided that the Option Price shall not be below the face value of the equity shares of the Company.

Particulars	March 31, 2018		March 31, 2017	
	Number of options	Weighted Average exercise price (Rs.)	Number of options	Weighted Average exercise price (Rs.)
Option outstanding at the beginning of the year	2,242,904	2.00	2,503,560	2.00
Granted during the year	22,155	2.00	25,394	2.00
Exercised during the year	(1,113,016)	2.00	(286,050)	2.00
Outstanding at the end of the year	1,152,043	-	2,242,904	-
Exercisable at the end of the year	-	-	-	-

Note

For the year, the weighted average share price at the exercise date was Rs. 140.84 (March 31, 2017: Rs. 142.55)

The weighted average remaining contractual life for the stock options outstanding as at March 31, 2018 is 1.14 years (March 31, 2017: 1.63 years). The range of exercise prices for options outstanding at the end of the year was 2.00 to 78.80 (March 31, 2017: 2.00 to 394.00).

Stock compensation expense under the Fair Value method has been determined based on fair value of the stock options. The fair value of stock options was determined using the Black Scholes option pricing model with the following assumptions.

Particulars	March 31, 2018	March 31, 2017
Date of option granted	1-Apr-17	9-Nov-16
Stock Price Now (in Rupees)	150.95	140.00
Exercise Price (X) (in Rupees)	2.00	2.00
Expected Volatility (Standard Dev - Annual)	31.60%	31.60%
Life of the options granted (Vesting and exercise period) in years	3.00 - 5.00	3.00-5.39
Expected Dividend	0.00%	0.00%
Average Risk- Free Interest Rate	6.68%-6.88%	6.56%-6.75%
Weighted average fair value of options granted	149.31 - 149.53	138.36-138.61

Notes to Consolidated financial Statements for the year ended March 31, 2018

30.2. Max Healthcare Institute Limited

Employee Stock Option Plan – 2006 (“the 2006 Plan”):

The ESOP 2006 Plan instituted by the company w.e.f August 10, 2006 was amended by the shareholders of the company in its meeting held on March 1, 2016 based on the recommendations by the Nomination & Remuneration Committee and Board of Directors of the company in their respective meetings held on February 3, 2016 and February 4, 2016.

The key features of the amended ESOP 2006 Scheme is are follows:

1. The total number of options to be granted : Not more than 5% of the aggregate numbers of issued equity shares of the company at any point of time, in one or more tranches, may be issued as stock options under the Scheme.
2. Identification of classes of employees entitled to participate in the ESOP Scheme :
 - a) A permanent employee of the company who has been working in India or outside India; or
 - b) A director of the company, whether a whole time director or not but excluding an Independent Director; or
 - c) An employee as defined in clauses (a) or (b) of a subsidiary, in India or outside India, or of a holding company of the company, if any, but does not include –
 - an employee who is a promoter or a person belonging to the promoter group; or
 - a director who either himself or through his relative or through anybody corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the company.
3. Requirements of vesting and period of vesting (minimum and maximum period of vesting)
 - The exact proportion in which the options would vest shall be determined by the NRC, subject to the minimum vesting period of one year and maximum vesting period of 5 years, from the date of grant of options.
 - The NRC will decide on the vesting of the options, in full (“Bullet Options”) or in a graded manner (“Graded Options”) on any date beginning at the end of one year from the date of grant and concluding at the end of five year from the date of grant.
 - The NRC, in its discretion, at the time of each grant, may lay down certain performance metrics on the achievement of which the granted options would vest, the detailed terms and conditions relating to such performance based vesting, and the proportion in which options are granted under the Scheme would vest (subject to the minimum and maximum vesting period as specified above).
4. Exercise Price or formula for arriving at the same

To be determined by the NRC from time to time, in accordance with the provisions of the applicable laws, provided that the exercise price shall not be below the face value of the equity shares of the company.
5. Exercise period

Exercise Period: The exercise period would commence from the date of vesting and will expire on completion of not more than five (5) years from the date of respective vesting of options, as may be decided by the NRC from time to time.
6. Lock in period, if any:

The shares allotted under ESOP 2006 are subject to lock-in upto the time of listing of shares. The shares are not transferable during the said Lock-in period unless otherwise approved and/or waived (or relaxed with such other terms & conditions imposed, as the case may be) by the NRC after evaluation such matter on a case to case basis.

Further, the shares arising out of the options exercised by the employees may be subject to such restrictions including but not limited to obligations in respect of drag along and right of first refusal and such other terms and conditions, as may be determined by the NRC from time to time.

Notes to Consolidated financial Statements for the year ended March 31, 2018

7. Maximum number of options to be granted per employee and in aggregate

The maximum number of options to be granted in aggregate shall not exceed 5% of the aggregate of number of issued equity shares of the company at any point of time. The maximum number of options to be granted per employee shall be as determined by NRC from time to time.

8. The method which the company shall use to value its options

the company shall use one of the methods (whether intrinsic value or fair value or other) as may be prescribed under the applicable laws from time to time.

9. Exit option for Stock options : The employee may opt to exit from the stock options granted by the company in full or in parts based on the share valuation price ,i.e., Valuation of shares of the company done by a Category -I merchant banker and/or valuation of shares of the company for any investment in the shares of the company , whichever is later. The difference between the exercise price and the Share price would be paid to such employee as deferred compensation.

10. Exit option for the employees who have been issued shares upon exercise of the Stock options : The employee is having an exit option by way of listing of shares. Prior to listing of shares of the company and/or upon the occurrence of any strategic event in the nature of a change in management control/ownership, the NRC may , at its sole discretion on case to case basis, endeavour to determine the methodology, price, timelines, restrictions and other relevant matters for offering appropriate exit mechanism to such employees.

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 have valued Employee Stock Option outstanding as at year end based on trend of last two years w.r.t. exercise of option in favour of Cash Settlement or Equity Settlement.

The details of activity under the Scheme are summarized below:

Particulars	March 31, 2018		March 31, 2017	
	Number of options	Weighted Average exercise price (Rs.)	Number of options	Weighted Average exercise price (Rs.)
Outstanding at the start of the year	4,133,324	53.45	3,937,340	51.55
Granted during the Year	1,729,778	84.00	754,234	54.40
Forfeited during the year	298,702	74.05	558,250	41.29
Exercised during the year	1,481,911	47.49	-	-
Outstanding at the end of the year	4,082,489	66.99	4,133,324	53.45
Exercisable at the end of the year	-	-	700,000	38.31

The weighted average fair value of stock options granted during the year was Rs 84.00 (March 31, 2017: Rs 54.40)

The weighted average remaining contractual life for the stock options outstanding as at 31 March 2018 are as follows:

	March 31, 2018		March 31, 2017	
	Number of options	Weighted average remaining life in years	Number of options	Weighted average remaining life in years
1-Mar-12	-	-	220,000	4.14 Years
25-Mar-15	593,000	5.92 Years	893,000	6.25 Years
1-Jul-15	828,343	5.83 Years	1,585,068	6.35 Years
1-Aug-15	356,038	5.91 Years	508,626	6.44 Years
25-Aug-15	105,452	5.98 Years	150,646	6.50 Years
3-Feb-15	-	-	280,000	4.92 Years
1-Apr-16	668,151	7.58 Years	754,234	4.92 Years
1-Sep-17	1,531,506	7.49 Years	-	-

Notes to Consolidated financial Statements for the year ended March 31, 2018

Stock compensation expense under the Fair Value method has been determined based on fair value of the stock options. The fair value of stock options was determined using the Black Scholes option pricing model with the following assumptions.

Black Scholes Option Pricing model

Particulars	March 31, 2018	March 31, 2017
A. Stock Price Now (in Rupees)	73.54	48.12
B. Exercise Price (X) (in Rupees)	84.00	54.40
C. Expected Volatility (Standard Dev - Annual)	33.63%	26.87%
D. Historical Volatility	-	-
E. Expected Life of the options granted (Vesting and exercise period) in years	7.49 Years	8.28 Years
F. Expected Dividend	Nil	Nil
G. Average Risk- Free Interest Rate	7.52%	7.25%
H. Expected Dividend Rate	Nil	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 assumptions that the historical volatility over a period similar to the life of 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 year ended March 31, 2018	For the year ended March 31, 2017
Net loss after tax as reported	(7,129.48)	(4,619.73)
Add: Employee stock compensation under intrinsic value method	44.75	20.06
Less: Employee stock compensation under fair value method	(601.77)	(142.31)
Performa profit	(7,686.50)	(4,741.98)
Earnings Per Share		
Basic		
- As reported	(2.66)	(1.73)
- Performa	(2.87)	(1.78)
Diluted		
- As reported	(2.65)	(1.72)
- Performa	(2.85)	(1.76)

Notes to Consolidated financial Statements for the year ended March 31, 2018

31. Leases

31.1. 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 Lakhs)			
	March 31, 2018		March 31, 2017	
	Minimum payments	Present value of MLP	Minimum payments	Present value of MLP
Within one year	62.62	49.20	56.71	40.92
After one year but not more than five years	137.66	125.03	185.17	161.12
More than five years	-	-	-	-
Present value of minimum lease payments	200.28	174.23	241.88	202.04

31.2. Operating lease: group as lessee

Lease rentals recognized in the statement of profit and loss for the year is Rs. 3,364.26 Lakhs (March 31, 2017: Rs. 2,930.26 Lakhs)

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 Lakhs)

Particulars	(Rs. in Lakhs)	
	March 31, 2018	March 31, 2017
Not later than one year	2,358.56	1,900.86
Later than one year and not later than five year	6,430.89	6,356.67
Later than five year	7,733.46	8,093.62
Total	16,522.91	16,351.15

32. Capitalisation of Expenditure

Particulars	(Rs. in Lakhs)	
	March 31, 2018	March 31, 2017
Opening balance	9,128.19	4,076.49
Arising on account of change in stake	44.77	-
Add:		
Rent	480.86	500.21
Salaries, wages and bonus	190.30	813.14
Interest Expenses	180.95	3,379.90
Legal & Professional	50.11	201.80
Miscellaneous Expenses	6.46	171.82
Power and Fuel	16.90	7.81
Total	10,098.53	9,151.16
Less: Capitalised during the year	(9,032.41)	(22.97)
Preoperative expenses pending capitalisation	1,066.12	9,128.19

33. Interest in a joint venture

The Group holds, 49.70% (March 31, 2017: 45.95%) 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

Notes to Consolidated financial Statements for the year ended March 31, 2018

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 Lakhs)			
	Max Healthcare Institute Limited		Forum I Aviation Limited	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Current assets	22,636.81	16,558.91	240.35	194.76
Non current assets	141,207.43	91,152.81	1,153.43	1,232.01
Current liabilities	(23,683.44)	(17,617.08)	(24.00)	(21.17)
Non Current liabilities	(88,914.65)	(36,473.35)	(214.40)	(315.22)
Equity	51,246.15	53,621.29	1,155.38	1,090.38
Revenue	88,619.94	77,040.59	393.36	462.81
Cost of material consumed	(22,333.65)	(19,445.31)	-	-
Depreciation	(4,692.67)	(4,386.58)	(53.53)	(53.53)
Finance cost	(4,938.46)	(4,695.34)	(6.49)	(3.25)
Employee benefit expenses	(21,017.65)	(16,279.55)	(91.27)	(103.24)
Other Expenses	(36,954.22)	(31,645.22)	(236.78)	(280.31)
Profit/(Loss) before tax	(1,316.71)	588.59	5.29	22.48
Tax expense	494.49	(79.49)	(23.98)	14.65
Loss after tax from continuing operations	(1,811.20)	668.08	29.27	7.83
Profit on discontinued operations	491.01	-	-	-
Loss after tax	(1,320.19)	668.08	29.27	7.83
Capital commitments	4,505.10	6,999.14		
Contingent liabilities	48,178.94	16,136.20		

34. Segment Information

34.1. 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:

- Healthcare Business – The Company' Joint Venture and Subsidiary Companies of Joint Venture 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.
- Business Investments – This segment is represented by treasury investments.
- Health Insurance – This segment relates to the health insurance business carried out pan India, by one of the Company's subsidiary.
- Senior Living – One of the Company's subsidiaries is engaged in the business of senior living.
- Learning and Development - This segment relates to learning and development activity carried out by its subsidiaries.
- 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:

- The nature of products and services
- The differing risks and returns
- Organizational structure of the group, and
- 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.

Notes to Consolidated financial Statements for the year ended March 31, 2018**34.2. 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.

34.3. Segment Information

Primary Segments	Healthcare business		Health Insurance business		Senior Living business		Business Investments		Learning and Development		Others		(Rs. in Lakhs)	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
a. Segment Revenue from														
Sales to external customers	7,598.21	6,812.69	-	-	-	-	-	-	-	-	-	-	7,598.21	6,812.69
Service Income	76,964.04	66,186.64	57,585.42	54,428.10	572.98	-	-	-	3,794.02	3,794.62	2,832.82	2,127.31	141,749.28	126,536.67
Service/Interest Income from inter segments	613.30	424.95	-	-	66.96	69.03	858.02	645.76	652.73	635.66	1,522.67	480.06	3,713.68	2,255.46
Income from investment activities	-	-	5,083.95	5,191.69	-	-	1,789.82	2,499.07	-	-	(0.01)	-	6,873.76	7,690.76
Other operating revenue	867.06	565.87	-	-	-	-	-	-	-	-	-	-	867.06	565.87
Total Segment Revenue	86,042.61	73,990.15	62,669.37	59,619.79	639.94	69.03	2,647.84	3,144.83	4,446.75	4,430.28	4,355.48	2,607.37	160,801.99	143,861.45
Less: Inter segment revenue	613.30	424.95	-	-	66.96	69.03	858.02	645.76	652.73	635.66	1,522.67	480.06	3,713.68	2,255.46
Revenue from operations	85,429.31	73,565.20	62,669.37	59,619.79	572.98	-	1,789.82	2,499.07	3,794.02	3,794.62	2,832.81	2,127.31	157,088.31	141,605.99
b. Segments Results from continuing operations	2,173.98	4,331.78	4,534.77	765.16	(4,345.39)	(4,018.54)	1,789.82	2,499.07	(345.26)	(159.61)	205.41	(222.20)	4,013.33	3195.66
Add: Interest Income													1,721.04	1,025.46
Sub-total													5,734.37	4,221.12
Less:														
Unallocated Expenses (Net of unallocated income)													2,730.49	4,021.31
Interest Expenses													7,831.46	5,270.35
Loss before tax from continuing operations													(4,827.58)	(5,070.54)
Provision for taxation (includes provision for Deferred Tax)													1,600.89	325.35
Loss after tax from continuing operations													(6,428.27)	(5,395.89)
Profit after Tax from discontinued operations													491.01	781.10
Less: Minority Interest													1,192.02	494
Net Loss (after adjusted minority interest)													(7,129.47)	(4,619.74)

Notes to Consolidated financial Statements for the year ended March 31, 2018

Primary Segments	Healthcare business		Health Insurance business		Senior Living business		Business Investments		Learning and Development		Others		(Rs. in Lakhs)	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
c. Carrying amount of segment assets	90,054.29	76,664.50	81,642.37	72,378.01	54,875.72	53,537.43	13,643.91	30,112.54	1,736.95	1,435.27	3,855.31	4,441.66	245,808.55	238,569.41
Add: Unallocated assets													12,459.97	13,920.76
Goodwill													58,380.24	39,712.63
Total Assets													316,648.76	292,202.80
d. Segment Liabilities	18,153.93	13,995.46	55,782.02	48,887.65	26,931.70	22,113.33	-	-	1,610.36	1,355.65	410.64	153.23	102,888.65	86,505.32
Add: Unallocated liabilities													72,379.00	66,705.03
Total Liabilities													175,267.65	153,210.35
e. Cost to acquire tangible and intangible fixed assets	6,744.52	1,115.00	2,003.11	2,173.86	5,868.64	-	-	-	30.98	3.77	250.25	234.29	14,897.50	3,526.92
Unallocated													203.81	97.97
Total Addition													15,101.31	3,624.89
f. Depreciation and amortisation expenses	4,229.20	4,387.01	1,587.62	1,154.79	1,517.49	109.20	-	-	17.38	20.04	(90.92)	(427.58)	7,260.77	5,243.46
Unallocated depreciation & amortization													86.99	80.18
Total depreciation and amortization													7,347.76	5,323.64
g. Non-cash expenses other than depreciation and amortisation	520.80	-	-	-	-	-	-	-	-	-	-	-	520.80	-
Unallocated non cash expenses													44.75	20.06
Total													564.75	20.06

Notes to Consolidated financial Statements for the year ended March 31, 2018

35. Related parties disclosures

Joint Venture	1	Max Healthcare Institute Limited
	2	ALPS Hospital Limited (subsidiary of Max Healthcare Institute Limited)
Key Management Personnel (KMP)	1	Mr. Mohit Talwar (Managing Director)
	2	Mr. Jatin Khanna (Chief Financial Officer)
	3	Mr. V Krishnan (Company Secretary)
Enterprises owned or significantly influenced by key management personnel or their relatives	1	Max Financial Services Limited (upto May 14, 2016)
	2	Max Life Insurance Company Limited (upto May 14, 2016)
	3	Malsi Estates Limited (upto May 14, 2016)
	4	Siva Realty Ventures Private Limited (upto May 14, 2016)
	5	Piveta Estates Private Limited (upto May 14, 2016)
	6	Vana Retreats Private Limited (upto May 14, 2016)
	7	Max Speciality Films Limited (upto May 14, 2016)
	8	Veeras Kitchen Private Limited (upto May 14, 2016)
Employee benefit funds	1	Max Financial Services Ltd. Employees' Provident Fund Trust

35.1. Transactions with related parties during the period:

(Rs. in Lakhs)								
	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 Fund		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
Income from shares services								
Max Financial Services Limited	-	-	-	92.29	-	-	-	92.29
Reimbursement of expenses (Received from)								
Max Financial Services Limited	-	-	-	10.12	-	-	-	10.12
Max Life Insurance Company Limited	-	-	-	27.65	-	-	-	27.65
Reimbursement of expenses (Paid to)								
Max Life Insurance Company Limited	-	-	-	5.04	-	-	-	5.04
Insurance paid								
Max Life Insurance Company Limited	-	-	-	2.64	-	-	-	2.64
CSR activities								
Max India Foundation	-	-	23.44	45.00	-	-	23.44	45.00
Managerial Remuneration								
Mohit Talwar	319.94	177.14	-	-	-	-	319.94	177.14
Jatin Khanna	124.78	100.32	-	-	-	-	124.78	100.32
V Krishnan	136.51	113.20	-	-	-	-	136.51	113.20
Company's contribution to Max Financial Services Limited Provident Fund Trust	-	-	-	-	927.56	924.68	927.56	924.68

Notes to Consolidated financial Statements for the year ended March 31, 2018

36. Capital and Other Commitments

a) Capital Commitments

	(Rs. in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Estimated amount of contracts remaining to be executed on capital account and not provided for	14,600.91	21,954.32
Less: Capital advances (note 16)	9,321.29	10,189.12
Net capital commitment for acquisition of capital assets	5,279.62	11,765.20

b) Other Commitments

	(Rs. in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
General and administration expense	0.55	-
Export obligation as on date to be fulfilled, in the succeeding eight years from the date of license issued by EPCG for availing of concessional custom duty on imports under EPCG scheme to the extent of six times the duty saved.		
- Duty saved	165.00	-
- Export obligation	141.64	-
	307.19	-

36.1 Commitment with respect to leases refer note 31

37. Contingent Liabilities not provided for

		(Rs. in Lakhs)	
S. No.	Particulars	As at March 31, 2018	As at March 31, 2017
i	Share of guarantee given by the jointly controlled entity (Max Healthcare Institute Limited) (Refer note (a))	41,186.97	10,853.65
ii.	Claims against the Company not acknowledged as debts (Refer note (b))		
	- Service tax demands	617.25	643.94
	- Sales tax	122.75	113.49
	- Legal cases and claims	8,089.89	4,845.96
iii.	Export obligation as on date to be fulfilled, in the succeeding eight years from the date of license issued by EPCG for availing of concessional custom duty on imports under 5% EPCG scheme to the extent of eight times the duty saved.	340.43	543.56
iv	Guarantee / Letter of Credit given by Banks (Deposit of Rs. 89.30 Lakhs (March 31, 2017 : Rs 179.14 Lakhs) held by bank as margin shown under the head "Cash and Bank Balances")	480.86	500.21
v	Income tax cases	(note (c) and (d))	(note (c) and (d))

Note:

- 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.
- 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

Notes to Consolidated financial Statements for the year ended March 31, 2018

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 Lakhs 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

Assessment year	Pending before ITAT		Disallowances pending before CIT(A)	Disallowances pending - as at March 31, 2018 (Rs. In Lakhs)	Disallowances pending - as at March 31, 2017 (Rs. In Lakhs)	Demand (if any) (Rs. In Lakhs)	
	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				As at March 31, 2018	As at March 31, 2017
2003-04	941	213	-	1,154	1,154	-	-
2004-05	641	-	-	641	641	-	-
2005-06	598	-	-	598	598	-	-
2006-07	462	-	-	462	462	-	-
2007-08	907	-	-	907	907	-	-
2008-09	239	-	-	239	239	-	-
2009-10	201	-	-	201	201	-	-
2010-11	411	-	-	411	171	-	-
2011-12	547	-	450	997	177	-	-
2012-13	-	1,191	455	1,646	711	-	-
2013-14	114	395	473	982	114	-	-
2014-15	-	-	708	708	90	-	-
2015-16	-	-	1,573	1,573	-	9	9
	5,061	1,799	3,659	10,519	5,465	9	9

38. 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) amounting to Rs. 3,741 Lakhs that conform with Regulations issued by the IRDAI and professional guidance notes issued by the Institute of Actuaries of India.

- As at March 31, 2018, Max Bupa has made a provision of Rs. 53 Lakhs towards provider reconciliation reserve based on actuarial estimates and the same is included as a part of IBNR reserves.
- As at March 31, 2018, Max Bupa has made a provision of Rs. 1,622 Lakhs towards litigation reserve based on actuarial estimates and the same is included as a part of IBNR reserves.

39. Discontinued Operations

In view of the emerging scenario and other commercial consideration, the management of the Group think appropriate to focus on the businesses other than leasing going forward and invest the resources of the Group in the direction. In the opinion of the board of the Group, the leasing business of the Group shall require a lot

Notes to Consolidated financial Statements for the year ended March 31, 2018

of capital to grow the business and in view of potential profitability it will be in the best interest of the Group to exit the business and invest and focus on remaining businesses. The Group has thus decided to undertake discontinued operations of the business undertaking of equipment leasing division.

During the year, pursuant to the approval of the Shareholders of Max Healthcare Institute Limited and other authorities, Max Healthcare Institute Limited has entered into a Business Transfer Agreement (BTA) dated June 30, 2017 with "Devki Devi Foundation" to sell its Leasing division business by way of Slump Sale on going concern basis. At June 30, 2017, the Group has classified the lease division business as a discontinued operation. The total purchase consideration has been agreed at Rs. 2,241.12 lakhs and the sale of the business had been completed by June 30, 2017.

During the year, pursuant to the approval of the Shareholders of Saket City and other authorities, Saket City Hospitals Private Limited has entered into a Business Transfer Agreement (BTA) dated June 30, 2017 with "Gujarmal Modi hospital & Research Centre for Medical Sciences" to sell its Leasing division business by way of Slump Sale on going concern basis. At June 30, 2017, The Group has classified the lease division business as a discontinued operation. The total purchase consideration has been agreed at Rs. 1,838.81 Lakhs and the sale of the business had been completed by June 30, 2017.

The result of the lease division for the year are presented below:-

	(Rs. in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Revenue from operations		
Other operating Income		
- Income from leasing activities	379.69	1,338.44
	379.69	1,338.44
Other income		
Other non-operating income		
- Gain on disposal of assets attributable to the discontinuing operations	262.40	-
Total income	642.09	1,338.44
Expenses		
Employee benefits expense		
Salaries, wages and bonus	0.50	1.38
Depreciation and amortization expense		
Depreciation of property, plant and equipment	146.11	549.99
Amortization of intangible assets	1.49	5.97
Other expense		
Miscellaneous Expenses	0.50	-
Legal and professional	2.48	-
Total expenses	151.08	557.34
Profit before tax from a discontinued operations	491.01	781.10
Tax Income/(expenses) of discontinued operations	-	-
Profit after tax from discontinued operation	491.01	781.10

The net cash flows attributable to discontinuing operations:

	(Rs. in Lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Operating activities	638.62	1,337.06
Investing activities	65.60	(44.57)
Financing activities	-	-
Net cash outflow	704.22	1,292.49

Notes to Consolidated financial Statements for the year ended March 31, 2018

The following statement shows the carrying amounts of the assets had been disposed of and the liabilities had been settled as on :

	(Rs. in Lakhs)
	As At June 30, 2017
Assets	
Property, plant and equipment	3,160.28
Trade receivable	559.60
Loans and advances	402.30
Total assets (a)	4,122.18
Liabilities	
Current liabilities	0.50
Long term borrowings	304.15
Total liabilities (b)	304.65
Net assets directly associated with lease division disposed of (a-b)	3,817.53

40. Scheme of Merger

40A. Scheme of merger between Max Healthcare Institute Limited (MHIL), Max Medical Services Limited ("MMSL")

- a. During the year, the one of the joint venture, MHIL has entered into a scheme of amalgamation under section 391 to 394 of the Company Act, 1956 and other provisions of Companies Act, 1956 and Company Act, 2013, of Max Medical Services Limited, a wholly owned subsidiary under the same management with the Group.

The Board of Directors of the MHIL had, at their meeting held on December 6, 2016, approved the amalgamation of Max Medical Services Ltd. (a wholly owned subsidiary of the MHIL) ["MMSL"] into the Company. The purpose of amalgamation is to more efficient utilization of the capital and create a stronger capital base for the future growth of the Company which will be beneficial to all its shareholders.

National Company Law Tribunal ('NCLT') vide its order dated October 4, 2017 Approved the scheme of amalgamation of Max Medical Services Limited with the Company effective from October 1, 2016.

The Scheme became effective on November 02, 2017 on filling of the NCLT order with the Registrar of Companies.

- b. **Name and Nature of Amalgamating Company:-**

Max Medical Services Limited

MMSL is engaged in the business of construction of hospital, leasing of medical equipments and other equipments and trading of goods.

- c. **Combination of authorised capital**

Pursuant to the aforesaid amalgamation and in terms of the said approved scheme, the authorised share capital of MHIL stands increased by the authorised share capital of Max Medical Services Limited aggregating to Rs. 3500 Lakhs. accordingly, effective April 1, 2016, the authorised capital of MHIL stands at Rs. 96,000.00 Lakhs.

- d. **Accounting treatment**

The Group has followed the accounting treatment prescribed in the said approved Scheme of Amalgamation, as follows:

The amalgamation of Max Medical Services Limited with MHIL has been accounted in the books by using the Pooling of interests method in accordance with the said approved Scheme of amalgamation and AS-14 as notified under the Companies Act, 2013. Since the subsidiary amalgamated were wholly owned subsidiary of MHIL, there was no exchange of shares to effect the amalgamation. The difference between the amounts recorded as investments of MHIL and the amount of share capital and security premium of MMSL have been adjusted in the capital reserve with Rs. 327.98 Lakhs.

Notes to Consolidated financial Statements for the year ended March 31, 2018

Accordingly, the Group has recorded all the assets and liabilities and reserves of Max Medical Services Limited at their respective book values as appearing in the books of Max Medical Services Limited as at April 1, 2017, the details of which are as follows:

	(Rs. in Lakhs)
Liabilities	Amount
Equity and liabilities	
Shareholders' funds	
Share capital	1,696.68
Reserves and surplus	
Share premium	251.97
Profit and loss account	3,985.76
	5,934.41
Non-current liabilities	
Long-term borrowings	1,663.88
Deferred tax liabilities	570.03
Long-term provisions	0.50
	2,234.41
Current liabilities	
Trade payables	
• Total outstanding dues of micro enterprises and small enterprises	-
• Total outstanding dues of creditors other than micro enterprises and small enterprises	383.14
Other current liabilities	8.95
Short-term provisions	1.49
	393.58
TOTAL	8,562.40

	(Rs. in Lakhs)
Assets	Amount
Non-current assets	
Fixed assets	
Property, plant and equipment	2,182.23
Intangible assets	41.75
Intangible assets under development	23.36
Non-current investments	1,266.30
Loans and advances	261.41
Trade receivables	3,821.75
	7,596.80
Current assets	
Inventories	2.48
Trade receivables	921.89
Cash and bank balances	10.93
Loans and advances	33.30
	968.60
TOTAL	8,565.40

- e. As the amalgamation is between MHIL and MMSL which is a subsidiary under common control in previous year, there is no change in the figures for the previous year ended March 31, 2017

Notes to Consolidated financial Statements for the year ended March 31, 2018

40B. Scheme of merger between Hometrail Buildtech Private Limited [HBPL] and Hometrail Estate Private Limited [HEPL]

The Board of Directors of Hometrail Buildtech Private Limited [HBPL] and Hometrail Estate Private Limited [HEPL] at their meeting held on January 30, 2017, approved the amalgamation of the HBPL into HEPL. The petition for Scheme of Amalgamation amongst HBPL and HEPL, their respective shareholders and creditors, under Section 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 (read with the Rules made thereunder) was filed with National Company Law Tribunal ("NCLT") on May 08, 2017 and the same is listed for hearing before NCLT on May 16, 2017, and Regional Director and /or official liquidator has submitted their reply on the letter issued to them by NCLT and matter is list for hearing before NCLT on May 22, 2018.

41. Derivative instruments and unhedged foreign currency exposure

Particulars of unhedged foreign currency exposure

Particulars	As at March 31, 2018			As at March 31, 2017		
	Foreign Currency	Exchange Rate	Indian Rupee	Foreign Currency	Exchange Rate	Indian Rupee
	(in Lakhs)	(Rupee)	(in Lakhs)	(in Lakhs)	(Rupee)	(in Lakhs)
Import capital creditors (EUR)	0.14	80.62	10.76	3.99	69.29	276.47
Import capital creditors (USD)	4.62	65.04	300.49	2.47	64.85	160.18
Import capital creditors (YEN)	-	0.62	-	0.30	0.58	0.17
Trade payables (GBP)	-	92.28	-	0.10	80.48	8.05

42. Max India Limited ("the Company") is a core investment company (non systemically important - CIC) under the Non-Banking Financial Company (NBFC) Rules as defined under the RBI Act, 1934. The financial for the year ended March 31, 2018 have been prepared in accordance 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 Companies (Accounting Standards) Amendment Rules, 2016.

43. During the year, the Company has acquired 201,49,399 equity shares at Rs. 105/- each (i.e. 3.75% equity share capital) of Max Healthcare Institute Limited (MHIL) held by International Finance Corporation, for a consideration of Rs. 21,156.87 Lakhs. Subsequent to such acquisition, shareholding of the Company in MHIL increased to 49.70%.

44. Deal with Vikrant Foundation, Vikuj Healthcare Private Limited

During the current year, a subsidiary of the Company's joint venture, Alps Hospital Limited (Alps) has entered into a agreement with Vikuj Healthcare Private Limited (VHPL) to acquire its 100% equity share capital. Alps purchased 26% stake in VHPL for a consideration of Rs.26,000 and for remaining 74% stake, MHIL has deposited Rs.72.89 crores in an escrow account which will get credited to VHPL once the required clearances from Delhi Development Authority to build hospital on that land will be received by VHPL.

Alps made investment in VHPL to obtain an exclusive rights of operating and managing the healthcare services to be rendered to the trust. For this, MHIL has also entered into a Medical service Sub contract agreement, wherein by virtue of this agreement medical service agreement as mentioned in (2) has been assigned to Alps Hospitals limited. In such model, the company charges medical service fees from trust which will become revenue for MHIL.

The Group has shown 49.70% of amount deposited i.e.Rs.3,622.63 lakhs in escrow account under head "Other assets".

Notes to Consolidated financial Statements for the year ended March 31, 2018

45. During the current year, in one of the Company's joint venture, MHIL, "Directorate General of Health Services ("DGHS"), Govt. of NCT Delhi, on 8 December 2017, issued an order under Section 7 of the Delhi Nursing Home Registration Act, 1953 for cancelling the registration of Max Super Speciality Hospital, Shalimar Bagh ("Hospital") with immediate effect and further directed to refrain from admitting any IPD Patients in the Hospital. Against this Cancellation Order, the Company had filed an appeal bearing no. 335/2017 before the Hon'ble Financial Commissioner, Govt. Of Delhi ("Appellate Authority") on 13 December, 2017. On 19th December, 2017, the Appellate Authority stayed the operation of the said cancellation Order, which is in force as on the date of this financial statement/auditor report 8th May, 2018 Accordingly, Max Super Speciality Hospital, Shalimar Bagh has resumed its operations on 20 December, 2017.

The Group is of the view that the said Cancellation Order was passed by DGHS in contravention of the provisions of Section 8 of Delhi Nursing Home Registration Act and violates the principles of natural justice and due process prescribed under the Act. The Group is confident that the Appellate Authority(ies) will set aside the Cancellation Order dated 8 December, 2017 and uphold its view in the matter"

46. Till previous year, the Company had a put option to transfer upto 24% of its shareholding in Max Bupa Health Insurance Co. Limited (Max Bupa) and Bupa Singapore Pte. Limited (Bupa Singapore) had a call option under which the Company would be required to transfer 24% of its shareholding in Max Bupa 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.

During the previous year, on June 01, 2016, the Company divested its 23% stake in Max Bupa, to Bupa Singapore Pte. Limited for a consideration of Rs. 20,654.00 lakhs. Consequently, the Company's stake in Max Bupa has reduced to 51% and the option agreement stands terminated effective June 09, 2016

47. Max Bupa (a subsidiary company) had received exemption from IRDA under the provisions of Sec 40 C (1) of the Insurance Act, 1938 read with rule 17 E of the Insurance Rules, 1939, which was valid for a period of 5 financial years starting from FY 2010-11 to FY 2014-15. Max Bupa had filed with IRDA for forbearance for exceeding the expenses of management over the allowable limit for 2015-16 along with a convergence plan. A sum of Rs. 10,556 Lakhs, which is in the excess of expenses of management over the allowable limit has been transferred from Revenue Account to Profit and Loss account in accordance with the circular no. IRDAI/Reg./12/124/2016.

48. Details of utilisation of proceeds through preferential issue are as below:

	(Rs. in Lakhs)
	For the year ended March 31, 2018
Proceeds received during the year	7,500.00
Less: Amount utilised during the year (Investment in equity shares of joint venture)	7,500.00
Unutilised amount at the end of the year	-

49. The group has reclassified previous year figures to conform to this year's classification, wherever considered necessary.

As per our report of even date

For S.R.Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

per Atul Seksaria
Partner
Membership Number: 086370

Place : Gurugram
Date : May 29, 2018

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

Mohit Talwar
(Managing Director)
DIN No - 02394694

Jatin Khanna
(Chief Financial Officer)

Place : New Delhi
Date : May 29, 2018

Ashok Brijmohan Kacker
(Director)
DIN No. : 01647408

V. Krishnan
(Company Secretary)



HEALTH INSURANCE

BOARD'S REPORT

Your Directors are pleased to present the Tenth Board's Report of your Company together with the audited accounts for the financial year ended March 31, 2018.

1. BUSINESS HIGHLIGHTS

The highlights for the Financial Year ended March 31, 2018 are as under:

Particulars	(Rs in '000)	
	Financial Year 2017-18	Financial Year 2016-17
Gross Written Premium	75,44,715	59,39,338
Add Reinsurance Accepted	-	-
Less Reinsurance Premium	16,67,365	3,00,177
Net Premium	58,77,350	56,39,161
Change in Unexpired Risk Reserve	1,18,808	1,96,350
Earned Premium	57,58,542	54,42,811
Total Underwriting Revenue	57,58,542	54,42,811
Net Incurred Claims	28,90,226	28,27,720
Commission paid (net)	2,26,727	5,89,710
Expenses of Management (Opex)	29,17,122	25,67,280
Premium Deficiency Reserve	-	-
Total Underwriting expenses	60,34,075	59,84,710
Underwriting Profit/(Loss)	(2,75,533)	(5,41,899)
<u>Investment Income:</u>		
Allocated to Revenue Account	2,99,474	3,36,945
Allocated to P&L Account	2,08,922	1,82,224
Other Income	27,433	5,744
Other Expenses	31,898	19,780
Provisions	-	-
Profit/(Loss) before Tax	2,28,398	(36,766)
Key Business Parameters		
Solvency Ratio	2.11	2.01
Share Capital (Rs. crores)	926.00	926.00
Foreign Direct Investment(Rs. crores)	453.74	453.74
No. of Employees	1,886	1,661
No. of offices	30	28
No. of Agents	25,376	20,986
No. of Policies	3,30,876	3,07,025

2. INDUSTRY OVERVIEW

In India, health insurance sector continues to experience high growth - it is the most rapidly growing segment in the BFSI sector with gross written premiums increasing by 22% from Rs. 34,588 crore in FY'17 to Rs. 42,263 crore in FY'18.

With only 34% of the Indian population having some form of health insurance coverage in FY'17, the sector presents a huge opportunity of growth and thus continues to attract new players. The rise in lifestyle and chronic diseases like Cancer, Diabetes and Cardiovascular ailments over the past few years is contributing towards the increasing awareness about health insurance. As per conservative estimates of industry experts, the health insurance market is expected to grow to ~Rs 51,500 crore of GWP by FY 2020 and is likely to continue the same growth trajectory of 20% p.a. post 2020.

Max Bupa continues to cater to the B2C Health insurance sector, growing at ~32% (5-year CAGR till FY'18), ahead of industry's B2C growth of 22% in terms of GWP The Health Insurance industry continues to be dominated by 4

public sector companies, which together constitute 55% of the market share. In addition, there are 21 private general insurance players and 6 standalone health insurers. There were 4 new private general insurance players which started operation in FY'18, with Edelweiss, the latest entrant, commenced operation in March 2018.

3. STATE OF COMPANY'S AFFAIRS

Your Company posted a Gross Written Premium of Rs. 754.47 Crores for the year thereby registering a 27% growth over previous year. The Company posted Underwriting loss of Rs. 27.55 Crore during the year as compared to Underwriting loss of Rs. 5.42 Crore during the previous year. The Net Profit for the year was Rs. 22.84 Crore as compared to loss of Rs. 3.68 Crore in the previous year.

Your Company aims to be the preferred family health insurer for B2C Customer and offers quality health insurance services through its comprehensive distribution network comprising of Agency, Bancassurance, & Alliances (NBFC's and brokers)& Direct channel (tele-assisted, digital sales and direct sales team).

Your Company has reported a good overall performance in FY 2017-18, in line with our strategic priorities, across different operational areas. Key highlights of the year are as follows:

- Company's latest product offering, GoActive launched in FY 2017-18, voted as the Health insurance product of the year 2018; was also awarded the best product innovation and diversification in Asia
- Successfully managed the review the premium adequacy and a premium increase across its principal retail products.
- Successful ramp up of key distribution tie up with Bank of Baroda
- Significant steps taken to drive our digital journey; quite a fewtech enabled solutions have been implemented
- Several product development and improvement initiatives taken
- Significant improvement in MPEF (Max Performance Excellence Framework) score
- The sixth "Walk for Health" was successfully held in 3 cities; ~62 million lives touched

- Your Company won several awards and recognition through the year for its focus on customer, people, brand & technology such as:

- o Won "The Best Innovative Medical Insurer" award at the Business World's 4th Health Care Summit & Awards
- o Recognized as "the most admired health insurance brand in India" as per India's Most Admired Brands Survey 2017 by Trust Research Advisory
- o Recognized as "India's Greatest Brand for introducing a host of innovations in the Indian HI sector" by Asia One Awards

Further building up on this year's progress, five strategic themes will be deployed for the year ahead, namely:

- People First
- Remarkable customer experience
- Profitable growth
- Portfolio management – Renewals
- Build Digital

To achieve the above, your Company's FY 2018 key priorities have been recalibrated to further drive "Customer centric profitable growth" as follows:

- Portfolio management approach to renewals & profitable growth
- Compelling product proposition, meeting customer's needs
- Build Digital
- Optimize expenses & robust claims management
- Strengthen processes & technology
- Enable the workforce

Overall, maintaining robust top line growth, in an increasingly competitive market while driving operational efficiency (in terms of expense, claim, persistency, product management), will be among the key deliverables ahead for the Company.

A. MULTI CHANNEL DISTRIBUTION SET-UP

Your Company's strategic priorities focus on profitable and sustainable growth led by Agency and bancassurance. Your Company has relentlessly focused on building its distribution network by consistently improving the quality of its Agency sales force, building bancassurance channel and strengthening its Direct channels by evaluating a comprehensive 'digital' strategy.

1. Agency

Agency is the Company's largest distribution channel, spanning 28 branches across 21 cities and contributes over 51% of overall revenue. The Agency sales force comprises of 400 Agency Managers and circa 15,000 agents. Your Company's agency force is one of the most productive agency force amongst SAHIs (Stand Alone Health Insurers). FY 17-18 saw the Agency channel focus on automation, agent activation, process standardization, quality of new business and persistency. Going forward, in line with the strategic priorities, your Company has identified 4 focus areas for Agency channel –drive paperless processing of new business, improve quality and quantity of agent recruitment, expand variable agency program and reduce employee attrition through superior onboarding process.

2. Bancassurance & Alliances

Your Company is a leading player in the distribution of health insurance through financial institutions. Max Bupa works with various Bancassurance Corporate Agency relationships in India with reputed banks like Standard Chartered Bank, Federal Bank, Deutsche Bank, RBL Bank, Sarv UP Gramin Bank, South Indian Bank and Bank of Baroda. Out of these partners, South Indian Bank was the new addition in the financial year.

Your Company has also entered into a corporate agency agreement with HDFC Bank, the leading private sector bank in the country and will commence business through this partnership in the coming financial year.

Your Company has a robust and growing bancassurance infrastructure with 600+ FOS (Feet-on-Street) and more than 7500 partner bank branches.

Your Company also has a tie up with the leading NBFC in the country, Bajaj Finance Limited, under the Alliances vertical.

Growth in this channel has been driven by focus on productivity increase for existing resources, activation of product

proposition in different customer segments, system integration led sales models to activate sales in bank branches and proposition for sale to retail asset customers.

Bancassurance and Alliances channel contributed around 48% of Company's new sales in FY 17-18 and is now the largest new business contributor on a monthly basis.

Over the last year, Max Bupa has worked on strengthening of relationship with the Banks across their hierarchy with specific focus on the large partners. This is now enabling your Company to create and launch segment wise focused initiatives which is yielding incremental new business along with deepening of the relationship.

The channel has worked on multiple product ideas on the group platform for each bank partner which has been successful in creating differentiation from other competing SAHIs. With the IRDAI mandated open architecture, there are many banks and financial institutions that are seeking to add health insurance partners to augment their third party fee income. This allows your Company to look for newer opportunities as well as allows the existing bank partners to add another SAHI player in their portfolio.

Your Company will continue exploring new opportunities in Bancassurance and Alliances channel for potential profitable partners while ensuring that growth in business from the existing partners.

3. Direct channels (E-sales and Direct sales team)

Direct channels at your Company comprises of E-sales (tele-assisted as well as online sales) and with the Direct sales team contributing 22% of GWP in FY17-18 Your Company has one of the largest captive telesales team in the health insurance industry, with ~120 dedicated out-bound tele-callers. The channel is equipped with state-of-the-art technology infrastructure (Dialler/CRM) within a secure environment. Your Company is carving a niche for itself by creating 'digital' opportunities in the

Health insurance space in India, given that ~22% of retail sales are estimated to be directly/digitally influenced by 2025. Your Company's digital roadmap will focus on digital natives and meeting their unmet needs by leveraging your Company's current strengths in brand and technology.

We are looking at creating unique experiences for potential consumers on mobile phones as a first point of connect. Your Company has also made deep inroads with likeminded digital platforms for showcasing our products on comparative platforms. Your Company aims to maintain profitable direct channels with a focus on building a comprehensive digital strategy.

4. Business to Business (B2B) & Rural business

Apart from the retail segment, your Company also has limited presence in the Group business where we focus on select and profitable business opportunities. Your Company is looking to build this business by selectively working on new accounts especially in the SME/MSME segment covering less than 1000 lives.

Your Company renewed rural business underwritten under the Rashtriya Swasthya Bima Yojna (RSBY) scheme of the Orissa Government through an extension for 4 months. The RSBY scheme will soon be replaced by the newly announced Ayushman Bharat scheme and we are actively monitoring the requirements of this scheme to understand and build our approach towards this.

B. IMPROVED CUSTOMER MANAGEMENT

In line with your Company's commitment towards exemplar service and being transparent, customer focused, equitable and fair in its dealing with customers, your Company continued to focus on raising the standard of customer interaction at every touch point, right from pre-sales engagement to payment of claims.

Your Company proactively captures customer feedback through multiple formal and informal customer listening initiatives, including Customer Transactional Assessments (CTA)

for key customer processes, online customer feedback through portals and blogs, Max Bupa's website, and welcome calling. Service excellence is key to your Company's success and therefore there is considerable focus on customer experience and related metrics. The Customer Experience Index is calculated annually and for 2017-2018, it stood at 72% as compared to 69% for 2016-2017. Of importance, Policy Servicing has shown improvement in FY17-18 as compared to FY16-17 by 17%.

Your Company's 30 minutes pre – authorization service commitment, introduced in the Financial Year 2014 – 15, continues to be an industry leading promise in the industry for the Financial Year 2017-18.

Your Company launched a HERO program in April'18 to drive Service Excellence culture across the organization. Building a service culture will mean that all employees of Max Bupa live by a common set of belief & demonstrate homogenous behaviour irrespective of moment of truth and individual's role & responsibilities. During the course of the program, there will be various workshops on fundamental elements of Service Excellence. The construct of the program is based on monthly rewards and recognition framework with pre-defined criteria for employees.

C. COST MANAGEMENT

Your Company continues to drive profitable growth by focus on higher efficiency, improved productivity and cost optimization initiatives. It is driving optimization of expenses through segmental analysis and identifying opportunities across functions where expenses can be reduced. We have leveraged best practices across the Max Group and the industry to optimize spends. We have also implemented budgetary control system and moved from post facto analysis to real time analysis and control, this has helped in building a cost conscious culture in the organization. The cost optimization focus is reflected in the management expense ratio which has improved from 54% in Financial Year 2017 to 50% in Financial Year 2018.

D. INVESTMENT PERFORMANCE

Your Company ensures management of

investment assets in accordance with the asset liability management policy of the Company. The performance of the investments has been commensurate with the risk assumed.

The investment corpus is invested with 96% of the portfolio in highest safety instruments (viz. sovereign and AAA or equivalent instruments). Your Company's Assets under Management (AUM) stands Rs 665.79 Crores as on March 31, 2018 against Rs. 627.64 Crore in previous year.

During the financial year, your Company generated an investment yield of 7.9% for the financial year ended March 31, 2018 versus 8.2% for the financial year ended March 31, 2017. The reduction in yield is due to interest rates coming down across maturities for most part of FY18.

E. BUSINESS EXCELLENCE

In the Max Performance Excellence Framework (MPEF) assessment for Financial Year 2017 - 2018 cycle, your Company was working towards getting a 50 point increase under the "Good Performance" scoring band. The MPEF scores received for Financial Year 2017-18 of 523, which shows a significant improvement in scores from 453 last year and has over achieved our target by 20 points. This assessment report identified that your Company has a leadership team which is focused, result-oriented and deeply involved and engaged with key stakeholders. Your organization reflects to be customer oriented and also demonstrates high standards of corporate governance structure and has a systematic and elaborate strategic planning process. It also highlighted that your Company has continued to improve brand awareness among employees, customers and partners. The assessors also believed that your Company has the opportunity to build innovation culture, improve knowledge management and people practices to breach the early results stage in the MPEF score bands.

F. AWARDS AND RECOGNITIONS

During the Financial Year 2017-18, your Company has been felicitated with Awards and Recognitions across functional areas. Some of these were as follows:

1. Awards and Accolades:

- o Max Bupa Go Active recognized as Product of the Year 2017-18 through an independent consumer survey of 4000 consumers in key cities
- o Listed as a Super brand in 2017-18- Super brands is one of the biggest consumers awards in the country.
- o Won 'India's Most Innovative Health Insurer Award' 2017 by Business World
- o Emerged as the Most Trusted Health Insurance brand in the Brand Trust Report 2017. This is the fourth 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.
- o Your Company's CEO was recognized as 'India's Most Promising Leader in the Health Insurance Industry' at the 8th Annual India Leadership Conclave and Indian Affairs Business Awards 2017
- o Our employee health & wellbeing initiative, 'Step for Health' received a Bronze at the 2017 DMA Internal Connect Awards under the category of Best Employee Engagement Campaign/Project.
- o People Pulse Survey scores 2017 were recognized by IBM Kenexa for 'being significantly higher than the global insurance sector'.

4. PHILOSOPHY

Your Company's purpose is to help customer lead healthier, more successful lives. With an aim to build long-term healthcare partnerships for life, your Company is working towards helping people put their 'health first' through your comprehensive product and service portfolio.

Your Company's vision is to become India's most admired health insurance Company by building a customer centric culture and investing in people, technology, infrastructure to deliver high quality

products and services to customers. Such vision has been reflected in our strategic priorities for the year ahead.

5. OPERATIONS

The operations and service of your Company work out of 29 branches and one national operating center. The New Business and Branch operations of the Company are supported by the state of art workflow management and CRM system ensuring that all key processes like policy issuance and customer queries are digitized without any paper flow. Such processes, coupled with initiatives of Instainsure and Saral, take the Company a step further where there is no physical form needed even at the point of sales. This ensures that we remain competitive as well as customer focused with timely issuance of policies and resolution of queries.

Our customer service department enables the customer to have multiple accesses to get his / her queries resolved. With technologies like IVR embedded in the call center, we have enabled various self service options for the customer, which is available 24X7. CRM system gives us one view of the customer enabling a high rate of first time resolution, ensuring that customer does not have to call us back to get a resolution for most queries. The dedicated in-house call center ensures that all queries and complaints are resolved within the timeline. The critical call centre metrics are internationally benchmarked and the results meet global standards. Our pre-authorisation turn-around time continues to outperform the industry standards with our 30 minute cashless proposition.

Your Company has invested extensively in building its Health Risk Management (HRM) capabilities over the last two years. HRM, as a philosophy, aims to strike a balance between treating customers fairly, enabling product profitability and affordability of comprehensive health insurance products for the customers i.e. ensuring access to most appropriate care, in the most appropriate setting at the most appropriate time and at the most affordable price to the customers. HRM forms the basis of key business decisions relating to selection, assessment and management of health risk. Key operating decisions related to product design, underwriting & claims philosophy, choice of market segments as well product and geographical mix are guided by HRM principles and are enabled by strong health and clinical data analytics. It also includes

partnering with health service providers (especially hospitals) to not just enhance the access but also the quality of healthcare to your Company's customers. Your Company has also made significant progress in enhancing payment integrity, reducing overcharging by providers, fraud detection and control to ensure only genuine claims are paid by mobilizing claims leakage control measures and thereby maintaining affordable premiums for its suite of health insurance products.

Your Company brings together Bupa's global health insurance with Max India's understanding and experience of the Indian health and insurance sectors and customer service expertise. Your Company has developed a strong network of over 4380 quality hospitals and services its customers directly through its in-house team of professionals, including doctors who process the claims.

Given the above practices, Your Company's claim ratio is broadly in line with the expected experience for the maturity of the portfolio basis pricing assumptions.

6. HEALTH INSURANCE PRODUCTS

Your Company offers individual and family oriented health insurance policies for Indians across all age groups. Your Company has a comprehensive product, Heartbeat, for retail customers, offering comprehensive health insurance cover for both individuals and families. Keeping the customer need at the core, Heartbeat product offers comprehensive health insurance coverage. The key USP of the product which differentiates it from the rest of the products in the market is that it has no specific waiting period of 24 months for insured persons who are below 46 years of age.

Further, your Company's Health Companion product primarily caters to mass affluent and upper affluent segment who are seeking health insurance cover at a more economical price.

Your Company also launched the third retail indemnity product Go Active in FY18. GoActive is a holistic health insurance plan that has been designed to cover a broad spectrum of everyday health requirements including inpatient hospitalization and on-the-go access to OPD (Out-patient consultations), diagnostics, personalized health coaching, second medical opinion, behavioral counseling etc. To encourage young customers to buy health insurance, Go Active offers a 10% lifetime discount on premium if the policy

is bought before the age of 35 years. To provide protection against medical inflation, the product has an optional benefit 'I-Protect' that increases Sum Insured by 10% on each renewal without any maximum limit, irrespective of whether any claim has been made or not. Your Company has tied up with premier health-tech providers including GOQii, Practo and 1mg to create a digitally enabled wellness ecosystem that will seamlessly offer some of these services to the customers.

Your Company has also used comprehensive and flexible structure of Group Health Insurance (GHI) to come up with multiple propositions to meet the needs of bancassurance customers. Different plans under GHI help our bank and affinity partners to target their unique customer segments with specific propositions.

In addition to the above, your Company also has a comprehensive bouquet of products in indemnity and fixed benefit segments which includes Health Assurance (offering 3 in 1 coverage for personal accident, critical illness, hospital cash), Group Personal Accident, Group Criticare, Group Health Secure, Employee First Health Insurance Plan, Swasth Parivar – Health Insurance Plan and Swasthya Pratham – Micro Insurance Product.

7. BOARD OF DIRECTORS AND ITS COMMITTEES

The Board of Directors is responsible for the approval of the overall corporate strategy and other Board related matters. The Board of Directors of your Company comprises of Twelve (12) members as on March 31, 2018.

1. During the year, your Company appointed Mr. Dinesh Kumar Mittal (DIN 00040000) as an Independent Director in at the Extra-Ordinary General Meeting held on February 02, 2018.
2. In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of your Company, Mr. Mohit Talwar (DIN - 02394694), Mr. John Howard Lorimer (DIN -07138581) and Mr. Ashish Mehrotra (DIN - 07277318), being liable to retire by rotation at the ensuing Annual General Meeting of your Company and being eligible, offered themselves for reappointment.
3. In accordance with the requirements of the Companies Act 2013, the composition of following Committees of the Board are as follows:
 - a) The Audit Committee of the Board was constituted of Mr. K. Narasimha Murthy (Independent Director) as Chairman of the Committee, Mr. Pradeep Pant (Independent Director) and Mr. David Fletcher (Non-Executive Director) as members of the Committee. The constitution of the Audit Committee is in accordance with the provisions of section 177 of the Companies Act 2013 and as per IRDAI Corporate Governance Guidelines, 2016.
 - b) The Nomination and Remuneration Committee of the Board was constituted of Mr. K. Narasimha Murthy (Independent Director) as Chairman of the Committee, Mr. Rajesh Sud (Chairman of the Company), Mr. Pradeep Pant (Independent Director) and Mr. David Fletcher (Non-Executive Director) as members of the Committee. The constitution of the Nomination and Remuneration Committee is in accordance with the provisions of section 178 of the Companies Act 2013 and as per IRDAI Corporate Governance Guidelines, 2016.

8. KEY MANAGERIAL PERSONNEL("KMP") U/S SECTION 203 OF THE COMPANIES ACT, 2013

Section 2(51) of the Companies Act, 2013 defines the term Key Managerial Personnel ("KMP"). As on 31st March 2018, the following employees were holding the position of KMP:-

- a) Mr. Ashish Mehrotra as the Chief Executive Officer and Managing Director of the Company;
- b) Mr. Rahul Ahuja as the Chief Financial Officer of the Company;
- c) Mr. Rajat Sharma as the Company Secretary of the Company;

9. CORPORATE GOVERNANCE

Your Company follows high standards of corporate governance and the Directors have embraced this belief and taken various steps to raise the bar for Corporate Governance. Your Company has an independent minded Board constituted of domain experts from diverse functional areas.

The Board of your Company as on March 31, 2018 comprises of seven Non-Executive Directors, one Executive Director and four Independent Directors.

As per Corporate Governance Guidelines issued by IRDAI, the Chief Executive Officer is designated as Whole-time Director under the Companies Act. The Company has received Deed of Covenant and Declaration from Directors appointed during the year in accordance with the said Corporate Governance Guidelines.

Further, the Board has the following Committees, functioning in line with IRDAI Corporate Governance Guidelines:

- a) Audit Committee
- b) Investment Committee
- c) Asset Liability Management Committee
- d) Risk Committee
- e) Policyholders' Protection Committee
- f) Product and Actuarial Committee
- g) Nomination and Remuneration Committee

The disclosures, as per the IRDAI Corporate Governance Guidelines, form part of the Directors' Report and are appended as **Annexure - 1**. The details regarding number of meetings of the Board and its Committees along with the attendance of Directors of the Company thereof, as required under Section 134(3) (b) of the Companies Act 2013 also form part of the aforesaid **Annexure - 1**.

10. MATERIAL CHANGES AND COMMITMENT, IF ANY

- a) The Company had filed with IRDA for forbearance towards exceeding the expenses of management over the allowable limit. Based upon the submission, the Authority in terms of regulation 11 of IRDAI (Expenses of Management of Insurers transacting General or Health Insurance Business) Regulations, 2016 granted forbearance till FY 2018.

A sum of Rs. 107.77 cr which is in the excess of expenses of management over the allowable limit has been transferred from Revenue Account to Profit and Loss account in accordance with the circular no. IRDAI/Reg./12/124/2016.

- b) During the FY 2017-18, the Company has entered into an additional quota share reinsurance arrangement by ceding 20% of its risk on the indemnity portfolio other than Employer/Employee schemes to a Reinsurer. This has led to an increase in the Company's underwriting capacity along with partially mitigating the claim aggregation risk in the event of any epidemic/pandemic situation.

11. NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR ALONG WITH REASONS THEREOF

Your Company did not have any Subsidiaries, Joint Ventures or Associate Companies during the year.

12. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There were no significant and material orders passed by the Regulators or Courts or Tribunals which impact the going concern status or Company's operations during the year as well as in the future.

However, IRDAI issued a soft warning against an advertisement issued by the Company in the Financial Year 2016-17 vide its letter no. IRDA/HLT/MISC/ORD/242/10/2017, dated October 30, 2017.

13. DIVIDEND

The Directors do not recommend any dividend for the financial year 2017-18.

14. CAPITAL

The authorized share capital of the Company is Rs. 1,000.00 crores (Rupees One Thousand crores) divided into 100,00,00,000 Equity Shares of Rs. 10/- (Rupees Ten only) each. As of 31st March 2018, the paid up equity share capital of your Company was Rs. 926.00 Crore (Rupees Nine Hundred and Twenty Six crores only).

15. SOLVENCY

Your Company regularly monitors its solvency margins to ensure that the solvency margin is maintained in line with the requirements of IRDAI (Assets, Liabilities and Solvency Margin of General Insurance Business) Regulations, 2016. As on March 31, 2018, the solvency ratio of your Company stood at 211% against required solvency of 150%.

16. RESERVES

Your Company has not transferred any amount to reserves, during the financial year 2017-18.

17. PARTICULARS OF DEPOSITS

Your Company has not accepted any deposits under Section 73 of the Companies Act, 2013.

18. IMPLEMENTATION OF INDIAN ACCOUNTING STANDARD (Ind AS) IN INSURANCE SECTOR

The Ministry of Corporate Affairs (MCA) has outlined the roadmap for implementation of Ind AS in the insurance sector from 1st April, 2018 onwards with one year comparatives. Consequently, IRDA has set up various working groups to prepare a roadmap for implementation of Ind AS in the Insurance sector.

However as per the latest circular (IRDA/F&A/CIR/ACTS/146/06/2017) from IRDAI on IND AS, implementation of Ind AS in the Insurance sector in India has been deferred for a period of two year and the same shall now be implemented effective 1st April 2020.

Your Company had initiated the process to ensure compliance with Ind AS in a time bound manner.

Your Company has submitted the Interim IND AS Proforma Financial Statement at each quarter end during the FY 2017-18 to IRDAI.

19. POLICY ON ALLOCATION & APPORTIONMENT OF EXPENSES OF MANAGEMENT

As per the Notification issued by IRDAI (Reg./12/124/2016 dated 27th April 2016), no Insurer carrying on Health Insurance Business in India shall spend in any Financial Year as Expenses of Management, an amount exceeding a certain allowable in relation to the following expenses:

- Commission or other remuneration paid to insurance agents and insurance intermediaries in respect of their business transacted in the financial year;
- Commission and expenses reimbursed on reinsurance inward; and
- Operating expenses.

The expense allowable limit is computed on the basis of percentages to Total Gross Premium Written in India during the financial year in respect of various segments of business. As per the notification, the Insurer shall ensure that their Expenses of Management are within the allowable limit on a segment wise basis. Where the Company has violated the limits of Expenses of Management for one or more segments but is compliant on an overall Company basis, the excess of such Expenses of Management shall be borne by the Shareholders.

Further, as required under the Regulation, the

Company has prepared a Policy for the allocation and apportionment of expenses of Management amongst the various business segments. The Policy has been approved by the Board and is reviewed annually.

20. RURAL & SOCIAL SECTOR OBLIGATIONS

Disclosure of sector wise business based on Gross Direct Written Premium (GWP) as per IRDA (Obligations of Insurers to Rural or Social Sectors) Regulations, 2015 is as under:

Business Sector	Year ended March 31, 2018	
	GWP Rs.'000s	% of GWP
Rural	3,96,326	5.25%
Social	4,582	0.06%
Urban	71,43,807	94.69%

The Company achieved a rural target of 5.25% of GWP against the prescribed obligation of 3% of GWP. Under the social sector, the Company covered 97,675 lives against the prescribed obligation of 96,011 lives thereby fulfilling the social sector obligation.

21. JOINT STATUTORY AUDITORS

The Statutory Auditors of the Company namely M/s. M.P. Chitale & Co, Chartered Accountants, (ICAI FRN- 101851W) and M/s Nangia & Co., Chartered Accountants, (ICAI FRN- 002391C) shall retire at the conclusion of the ensuing 9th Annual General Meeting.

It is proposed to re-appoint M/s. Nangia & Co., Chartered Accountants, New Delhi, (ICAI FRN- 002391C) and M/s. M.P. Chitale & Co, Chartered Accountants, (ICAI FRN- 101851W) as joint statutory auditors for the FY 2018-19 at the ensuing 10th Annual General Meeting.

Your Company has received certificates from M/s. M.P. Chitale & Co, Chartered Accountants and M/s Nangia & Co., Chartered Accountants that their appointment as Auditors, if made, shall be in accordance with the conditions laid down in the Companies (Audit and Auditors) Rules, 2014 and that they are not disqualified from appointment under Section 141 and Section 144 of the Companies Act, 2013.

Hence, based on the recommendation of the Audit Committee, the Board further recommends the appointment of M/s. Nangia & Co., Chartered

Accountants and M/s. M.P. Chitale & Co, Chartered Accountants as Joint Statutory Auditors of your Company.

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

It is noted that, in line with IRDAI circular Ref: IRDA/F&A/CIR/CPM/056/03/2016 dated 13th August 2016 relating to the preparation of financial statements, the Company continued to use an accounting policy of setting up Unearned Premium Reserve on the basis of 50% of NWP for trailing twelve months.

22. DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of your Company confirms that:-

1. In the preparation of annual accounts for the financial year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year, and of the loss of the Company for that period;
3. The Directors have taken proper and sufficient care 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 preventing and detecting fraud and other irregularities;
4. The Directors have prepared the annual accounts on a going concern basis;
5. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

23. NUMBER OF CASES FILED AND THEIR DISPOSAL UNDER SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013)

Your Company is very sensitive towards any complaints related to sexual harassment and has a well defined Policy on Prevention of Sexual Harassment against Women at the workplace.

Two complaints were established by the Sexual Harassment Committee during the Financial Year 2017-18 and proper actions were taken.

24. ANNUAL PERFORMANCE EVALUATION

As per the requirements of the Companies Act, 2013, formal Annual Performance Evaluation process has been carried out for evaluating the performance of the Board, the Committees of the Board and the Individual Directors.

The performance evaluation was carried out by obtaining feedback from all directors through a confidential online survey mechanism. The outcome of this performance evaluation was placed before the Nomination and Remuneration Committee on July 31, 2018 and further placed before the Board in the meeting held on July 31, 2018.

25. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

Your Company's internal control system is commensurate with the size and scale of the business operations.

Your Company has developed and strengthened its internal financial controls framework over the years. Your Company strives to create and sustain control conscious culture by creating 'tone at the top' appropriately. The risk and internal controls environment is governed by two specialized sub-committees of the Board i.e. Audit Committee and Risk Committee. There are well defined charters for each committee making them responsible for institutionalizing and providing oversight to risk assessment and the controls evaluation processes. The Audit Charter and the Risk Management Policy are reviewed annually and a quarterly reporting structure to the respective Committees of the Board is in place. To ensure independence, the Internal Audit department reports to the Chairperson of the Audit Committee of the Board.

Further, a risk based Internal Audit mechanism is in place, wherein various processes and functions (including finance and accounts) are audited on an annual basis. Internal audits are carried out at two levels:

1. Processes are reviewed to ascertain their completeness and the adequacy of controls in mitigating risks (design); and
2. Compliance of documented processes are reviewed (effectiveness).

Further, detailed financial Standard Operating Procedures (SOPs) are defined for key processes and vital controls are mapped in the finance manual. A limited review is conducted by the Statutory Auditors on the quarterly financial statements and a detailed annual audit is conducted at the end of each financial year.

A framework for monitoring of internal controls on financial reporting has been documented, including structure for governance around Financial Reporting controls during the year. Risk and Control matrices have been defined for all identified internal controls on financial reporting.

A quarterly Director's questionnaire is furnished to the Audit Committee to certify that, to the best of management's knowledge and belief, the financial results for the quarter do not contain any false or misleading statements or figures and nothing material has been concealed or suppressed. The document is certified by Chief Financial Officer, Appointed Actuary and Director – Legal and Compliance. This document covers the following aspects:

- Part 1 : Accounting
- Part 2 : Taxation
- Part 3 : Actuarial
- Part 4 : Risk & Compliance
- Part 5 : Banking Operations

26. CONTRACT OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188(1) OF THE COMPANIES ACT, 2013

All related party transactions that were entered into during the financial year 2017-18 were on an arm's length basis and in the ordinary course of business. Details of the transaction is enclosed herewith in the prescribed format i.e. Form AOC – 2 as **Annexure No – 3**.

Your Company has a Board approved Related Party Transaction Policy and SOP.

The requisite disclosure of the Related Party Transaction has been made in the Notes to Accounts of your Company.

In addition, the particulars of contracts or

arrangements as entered in the ordinary course of business on an arm's length basis, with related parties of the Company are enclosed herewith in the prescribed format i.e. Form AOC – 2 as **Annexure No – 3**.

27. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

In accordance with Section 186 (11) (a) together with the clarification issued by Ministry of Corporate Affairs on February 13, 2015, Section 186 does not apply to an Insurance Company. Accordingly, your Company does not have any loan given, investment made or guarantee given or security provided as required under Section 186 of the Companies Act, 2013.

28. THE EXTRACT OF THE ANNUAL RETURN U/S 92 OF THE COMPANIES ACT, 2013

The extract of the Annual Return in the prescribed format i.e. form MGT – 9 as per the requirements of Section 92 of the Companies Act, 2013 is annexed as **Annexure No – 4** and published in the website of the Company i.e. <https://www.maxbupa.com/about-us/maxbupa/index.aspx>.

29. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS UNDER SECTION 178 OF THE COMPANIES ACT, 2013

Your Company has a duly constituted Nomination and Remuneration Committee (NRC) which is a sub-committee of the Board. The NRC has at least 50% of its members as an Independent Directors.

Your Company has put in place the relevant framework and a Nomination & Remuneration Policy as required in section 178 of the Companies Act 2013. Any shareholder, interested in obtaining a copy of the Policy, may write to the Company Secretary at the Registered Office of Company, which is also displayed on your Company's website. The Policy is also attached herewith as **Annexure – 6** and also published in the website of the Company i.e. and published in the website of the Company i.e. <https://www.maxbupa.com/about-us/maxbupa/index.aspx>.

30. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SECTION 149(6) OF THE COMPANIES ACT, 2013

Your Company has received declarations from all the Independent Directors of your Company confirming that they meet with the criteria of independence as prescribed under sub section (6) of Section 149 of the Companies Act, 2013.

31. CODE OF CONDUCT & WHISTLE BLOWER POLICY

In order to uphold the highest standards of ethical behavior, your Company has a Code of Conduct which is applicable across the organization.

Your Company also has a Whistle Blower Policy approved by the Board which empowers and provides a channel to employees for communicating any breaches of your Company's Values, Code of Conduct, Anti Money Laundering Policy and other regulatory and statutory requirements. Appropriate disciplinary actions are taken against any violation. During the FY 2017-18, actions against 11 employees were taken by the Company as per Employee Disciplinary Action Plan. 5 complaints were received under the Whistle Blower Policy in the Financial Year 2017-18 which were duly investigated and closed. All the investigations and proceedings are conducted through Code & Ethics Committee meetings. Management provides assurance on the effectiveness of the Anti-fraud and Whistle Blower Policy to the Risk Committee/ Board through the Code & Ethics Committee updates.

32. CORPORATE SOCIAL RESPONSIBILITY

The provisions of the Companies Act, 2013 relating to Corporate Social Responsibility (CSR) was not applicable to your Company.

The Company has constituted a CSR Committee as per the provisions of Companies Act 2013 and IRDA Corporate Governance Guidelines 2016 on July 31, 2018. As per the provisions, Mr. Dinesh Kumar Mittal (Independent Director) is Chairman of the Committee. Further, Ms. Marielle Theron and Mr. David Martin Fletcher are the members of the Committee.

Even though the Company was not required to mandatorily comply with the CSR requirements in previous years, the Company has been taking initiatives to enable its people, customers, partners and public at large lead healthier, more successful lives. The "Max Bupa Walk for Health" initiative of the Company has been time and again recognized as one of the best CSR initiative in the country.

33. SECRETARIAL AUDIT

Your Company in the meeting held on July 25, 2017 has appointed M/s. Chandrasekaran Associates, Company Secretaries, New Delhi to conduct Secretarial Audit for the Financial Year 2017-18 as per the requirements of Section 204 of the Companies Act, 2013.

M/s Chandrasekaran Associates, Company Secretaries, New Delhi have submitted their report for the financial year 2017-18 in the prescribed format MR-3 which is annexed as **Annexure No – 5**.

34. DIRECTORS' COMMENTS ON QUALIFICATIONS, RESERVATIONS, DISCLAIMERS AND ADVERSE REMARKS

a) STATUTORY AUDIT

Joint Statutory Auditors of your Company for the financial year 2017-18 i.e. M/s. M.P. Chitale & Co., Chartered Accountants, Mumbai (ICAI FRN –101851W) and M/s. Nangia & Co. LLP, Chartered Accountants, New Delhi (ICAI FRN–002391C) in their Audit Report for FY 2017-18 have given no qualifications, reservations, disclaimers, comments and/or adverse remarks.

b) SECRETARIAL AUDIT

M/s. Chandrasekaran Associates, Company Secretaries, Delhi, Secretarial Auditors of your Company for the Financial Year 2017-18 have given no qualifications, reservations, disclaimers, comments and adverse remarks in its report.

35. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

During the year under review, the statutory auditors have not reported any instances of fraud by its officers or employees against the Company to the Audit committee, the details of which would need to be mentioned in the Board's report as required under section 143(12) of the Companies Act, 2013.

36. RISK MANAGEMENT POLICY FOR THE COMPANY INCLUDING IDENTIFICATION THEREIN OF ELEMENTS OF RISK THAT MAY THREATEN THE EXISTENCE OF THE COMPANY

Your Company's overall approach to managing risk

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

Risk management activities are supervised on behalf of the Board by the Risk Committee, whose responsibilities conform to those prescribed by the IRDAI. The Chief Risk Officer assists the Board Committee in overseeing the risk management activities across the Company.

Your Company has an operationally independent Risk Management Function in place, headed by a Chief Risk Officer. The function is responsible for the supervision of all risk management activities in the Company, including developing the risk appetite, maintaining an aggregated risk view across the Company, monitoring the residual risks to ensure that they remain within tolerance levels. It also reviews the appropriateness and adequacy of the risk management strategy and develops recommendations to the Risk Committee as necessary. The Risk Management function also ensures that, through various management submissions, the Board is adequately informed on key emerging risk related issues and if necessary, provides supplementary advice to the Board through the Risk Committee. A Management Risk Committee has been constituted which is headed by the CEO and includes key members such as Chief Risk Officer, Chief Operating Officer, Director – Legal, Compliance and Secretarial, Head – Health Risk Management etc. All important risk related matters are discussed, reviewed and monitored by this Committee on a periodic basis.

Your Company has developed a risk management framework which defines its approach to enterprise wide risk management. The implementation is a continuous cycle of improvement over the Company's existing risk management elements which are progressively integrated into the

framework. The Company has the vision of a matured state of risk culture whereby every individual takes responsibility of risks and has a thorough understanding of all risk tolerances.

Within the framework, a Risk Appetite Statement is in place which identifies and addresses each material risk to which the Company is exposed and establishes the degree of risk that the Company is willing to accept in pursuit of its strategic objectives, business plans and the interest of the policyholders. These material risks have been categorized in the areas of Strategic, Insurance, Financial, Operational, Legal & Regulatory Compliance and Reputational Risks. The Risk Management Strategy has been developed which defines the Company's approach to manage the identified material risks through acceptance, avoidance, transfer and/ or mitigation. The degree and intensity of the management action are guided by comparing the risk appetite with the potential impact of the risk, likelihood of its occurrence and the costs of implementing the controls. This is supplemented by various policies and procedures in respective operating areas which help to identify, mitigate and monitor risks.

The risk management framework also ensures that the level of risk accepted is within the Company's risk capacity and the level of capital adequacy is in excess of the level prescribed in the public interest via legislation.

37. ADDITIONAL INFORMATION

PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Companies Act, 2013 together with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time is annexed herewith as an **Annexure– 2**.

The information in accordance with the provision of section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 for the year ended March 31, 2018 is provided hereunder:

CONSERVATION OF ENERGY: NOT APPLICABLE

- (i) the steps taken or impact on conservation of energy;
- (ii) the steps taken by the Company for utilizing alternate sources of energy
- (iii) the capital investment on energy conservation equipments;

As your Company is not a manufacturing Company, the provisions relating to conservation of energy is not applicable to your Company.

The Company has installed solar panels which are used for office lighting as proactive measure to reduce the carbon footprint.

TECHNOLOGY ABSORPTION

1) The efforts made towards technology absorption:

We have focused and invested in changing the overall automation levels across processes and ushering Max Bupa into a new era of customer delight, ecosystem management, enhanced productivity and employee engagement. We have enhanced the capabilities of our existing platforms to improve automation of policy issuance, claims and policy servicing processes. Existing Policy Administration System and CRM solutions have been significantly enhanced to cater to claims automation, renewals automation, workflow tracking etc.

End to end integration for the processing of business on the Bancassurance channel has been further improved across our relationship tie ups. This year, we have also embarked on the complete handheld based selling model for our front line sales team with complete buying journey automated. Focus is now on improving overall adoption of the same.

We have invested in a state of art learning management platform for better dissemination of content and improving the overall employee engagement. We also redesigned our intranet portal for seamless information sharing and accessibility for all employees.

For a better online experience, we have revamped our existing website – Maxbupa.com. The website offer easy and faster access, intuitive navigation, consistent visual appeal, rich user interface and ecommerce capabilities thus enhancing customer experience. The website has also been made responsive to provide a consistent experience to computer and mobile users. We have also implemented website support analytics to better monitor and measure customer preferences, track visitors etc. We also introduced chatbot as a pilot to measure usage, preference etc.

We launched Any Time Health (ATH) that allows instant policy issuance through a self service mode. While this has been launched in a controlled pilot mode, the reachability for self service has been encouraging and is an industry first initiative.

We also introduced Point Of Care (POC) desks at few chosen provider sites that play a critical role during the 'moment of truth' in a customer relationship.

The biggest technology initiative this year has been setting up a technology integrated wellness ecosystem in partnership with Goqii to offer healthy lifestyle coaching for Max Bupa customers as part of our new product offering – GoActiv™. With this offering, we have introduced personalized coaching for each customer based on extensive data analytics and gamification based incentives to drive behavioral changes.

We have also made significant strides in enhancing our information security capabilities and posture. We have adapted the industry best ISO27001 framework for our core technology governance and execution processes. Also we now perform regular vulnerability assessments to ensure safe working environment.

A growing business environment also demands robust and scalable IT infrastructure to compete successfully. This year we took massive strides to enhance our infrastructure capabilities and achieve a 99.92% availability. Key highlights include:

- Migrated from outdated infrastructure to new private cloud setup, increasing transaction speed from 102ms to 24ms
- Refreshed old hardware with new and improved technology stack to improve performance of all business applications and setup a High Availability (HA) landscape
- Increased our office connectivity uptime by improving network resilience

2) The benefits derived from technology improvement, cost reduction, new technological development and import substitution:

Our mobile app offerings for sales teams to

enable the buying journey are now trending at over 60% adoption leading to more online payments, lesser documentation and thus helping improve customer experience.

SARAL platform which is leveraged for automating selling for bancassurance tie ups saw an upward adoption with upward of 90% business sourcing through SARAL at channels where it is enabled.

CRM platform has been extended to renewals and branch operations teams, thereby increasing functional usage and benefits.

Our analytics landscape comprising of business intelligence (BI) solution has been significantly enhanced and availability of business insights to decision makers has been improved through addition of 50+ analytics BI reports.

We have enabled dashboards for monitoring key processes such as Pre Authorization, claims performance etc. which enable faster visibility, decision making and process improvements for core operations teams and thereby help service customers better.

1) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

- i) the details of technology imported – Not Applicable
- ii) the year of import – Not Applicable
- iii) whether the technology been fully absorbed – Not Applicable

2) The expenditure incurred during the year on Research and Development:

Nil

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

(Rs. in thousands)

#	Particular	For the year ended March 31, 2018	For the year ended March 31, 2017
i)	Foreign Exchange Earnings	Nil	Nil
ii)	Foreign Exchange Outgo		
	CIF Value of Imports		
	- Capital Goods	22727	24798
	- Trading Goods	Nil	Nil
	Others	3,080	2,994

38. ACKNOWLEDGEMENTS

The Directors wish to place on record their deep appreciation for the hard work, dedicated efforts, teamwork and professionalism shown by the employees and the agent advisors, which have enabled your Company to establish itself amongst the leading Health Insurance companies in India.

Your Directors take this opportunity to express their sincere thanks to valued customers for their continued patronage.

Your Directors also express gratitude to the Insurance Regulatory and Development Authority of India, the Reserve Bank of India, Central and State Governments and the joint venture partners, Max India Limited and Bupa Singapore Holdings Pte. Ltd. for their continued cooperation, support and assistance.

For and on behalf of the Board of Directors

Sd/-
Rajesh Sud
Chairman of the Board
and Director
DIN – 0002395182

Sd/-
Ashish Mehrotra
Chief Executive Officer
& Managing Director
DIN – 0007277318

Place: New Delhi

Date: July 31, 2018

LIST OF ANNEXURES

S.No	Particulars	Relevant Rules	Relevant form	Annexure No.
1.	Disclosures for the Financial Year 2017-18 as per Corporate Governance Guidelines	IRDA Corporate Governance Guidelines	NA	1
2.	Particulars of Employees	Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014	NA	2
3.	Contracts and arrangements with Related Parties	Section 188 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014	Form AOC-2	3
4	Extract of Annual Return	Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014	Form MGT-9	4
5	Secretarial Audit Report	Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014	Form MR -3	5
6	Nomination and Remuneration Policy	Section 134 (3)(e) of the Companies Act, 2013	Policy Copy	6

ANNEXURE I

I. Disclosures for the Financial Year 2017-18 as per IRDA Corporate Governance Guidelines

1) During the Financial Year 2017-18, the following Committee and Board Meetings were held:-

S.No	Name of the Committee and Board	Date of Holding the Meetings							
		April 10, 2017	May 08, 2017	July 05, 2017	July 24, 2017	October 03, 2017	October 26, 2017	January 08, 2018	February 01, 2018
1.	Audit Committee Meeting								
2.	Investment Committee Meeting	N.A	May 08, 2017	N.A	July 24, 2017	N.A	October 26, 2017	N.A	February 01, 2018
3.	Policyholder's Protection Committee Meeting	N.A	May 08, 2017	N.A	July 24, 2017	N.A	October 26, 2017	N.A	February 01, 2018
4.	Product and Actuarial Committee Meeting	N.A	May 08, 2017	N.A	July 24, 2017	N.A	October 26, 2017	N.A	February 01, 2018
5.	Risk Committee Meeting	N.A	May 08, 2017	N.A	July 24, 2017	N.A	October 26, 2017	N.A	February 01, 2018
6.	Nomination and Remuneration Committee Meeting	April 12, 2017	May 08, 2017	N.A	July 24, 2017	N.A	October 26, 2017	N.A	February 01, 2018
7.	Board Meeting	N.A	May 09, 2017	N.A	July 25, 2017	N.A	October 27, 2017	N.A	February 02, 2018

2) Constitution of the Board, number of meetings held and attendance by Directors during the year 2017-2018

S. No.	Name of the Director	No. of Board Meetings held	No. of Board Meetings attended
1.	Rahul Khosla	4	4
2.	Rajesh Sud	4	4
3.	David Martin Fletcher	4	4
4.	Mohit Talwar	4	3
5.	Marielle Theron	4	4
6.	Joy Linton	4	4
7.	John Lorimer	4	4
8.	K Narasimha Murthy	4	4
9.	Pradeep Pant	4	4
10.	Burjor P. Banaji	4	2
11.	Dinesh Kumar Mittal*	0	0
12.	Ashish Mehrotra	4	4

* Appointed as member of the Board w.e.f February 02, 2018.

Leave of absence was granted to the Members who could not attend Board meetings.

- 3) Constitution of the Audit Committee, number of meetings held and attendance by Members during the year 2017-2018

Name of the Member	No. of meetings held	No. of Meetings attended
K. Narasimha Murthy	8	8
Pradeep Pant	8	7
David Martin Fletcher	8	8

Leave of absence was granted to the Members who could not attend Audit Committee meetings.

- 4) Constitution of the Investment Committee, number of meetings held and attendance by the Members during the year 2017-2018

Name of the Member	No. of meetings held	No. of Meetings attended
Joy Linton	4	4
Marielle Theron	4	4
Ashish Mehrotra	4	4
Joydeep Saha*	3	3
Rahul Ahuja	4	4
Vikas Jain**	4	1

* Ceased to be the member effective from November 13, 2017

** Appointed as member effective February 03, 2017.

Leave of absence was granted to the Members who could not attend Investment Committee meetings.

- 5) Constitution of the Asset Liability Management Committee, number of meetings held and attendance by the Members during the year 2017-2018

Name of the Member	No. of meetings held	No. of Meetings attended
Joy Linton	4	4
Marielle Theron	4	4
Ashish Mehrotra	4	4
Joydeep Saha*	3	3
Rahul Ahuja	4	4
Vikas Jain**	4	1

* Ceased to be the member effective from November 13, 2017

** Appointed as member effective February 03, 2017.

Leave of absence was granted to the Members who could not attend Asset Liability Management Committee meetings.

- 6) Constitution of the Risk Committee, number of meetings held and attendance by the Members during the year 2017-2018

Name of the Member	No. of meetings held	No. of Meetings attended
John Howard Lorimer	4	4
Mohit Talwar	4	2
Marielle Theron	4	4
K. Narasimha Murthy	4	4
Joy Linton	4	4

Leave of absence was granted to the Members who could not attend Risk Committee meetings.

- 7) Constitution of the Policyholders' Protection Committee, number of meetings held and attendance by Members during the year 2017-2018

Name of the Member	No. of meetings held	No. of Meetings attended
David Martin Fletcher	4	4
Marielle Theron	4	4
John Howard Lorimer	4	4
Burjor P. Banaji*	2	1
Ashish Mehrotra	4	4
Vikas Gujral	3	3

* Appointed as member effective July 25, 2017

Leave of absence was granted to the Members who could not attend Policyholders' Protection Committee meetings.

- 8) Constitution of the Product and Actuarial Committee, number of meetings held and attendance by Members during the year 2017-2018

Name of the Member	No. of meetings held	No. of Meetings attended
Marielle Theron	4	4
David Martin Fletcher	4	4
Joy Linton	4	4
Ashish Mehrotra	4	4
Joydeep Saha*	3	3

* Ceased to be the member effective Resigned on November 13, 2017

Leave of absence was granted to the Members who could not attend Product and Actuarial Committee meetings.

- 9) Constitution of the Nomination and Remuneration Committee, number of meetings held and attendance by Members during the year 2017-2018

Name of the Member	No. of meetings held	No. of Meetings attended
K. Narasimha Murthy	5	4
Pradeep Pant	5	5
David Martin Fletcher	5	4
Rajesh Sud	5	4

Leave of absence was granted to the Members who could not attend Nomination and Remuneration Committee meetings.

10) Details of Directors and their status of Directorship and qualifications as on March 31, 2018:

S.No	Particular	Status of Directorship	Qualifications and specialization
1.	Rajesh Sud DIN - 0002395182	Chairman And Non Executive Director	MBA from FMS, Delhi University, Advanced Management Program from Wharton Business School, University of Pennsylvania, Philadelphia, USA
2.	Rahul Khosla DIN - 0003597562	Co-Vice Chairperson and Non Executive Director	Bachelor degree with honors in Economics from St. Stephen, New Delhi and Chartered Accountant
5.	David Martin Fletcher DIN - 0007004032	Co-Vice Chairperson and Non Executive Director	BA honors Modern History, Durhan University, UK
3.	Mohit Talwar DIN - 0002394694	Non Executive Director	Post Graduation in Arts from St. Stephen's College and Post Graduation in Hospitality Management from the Oberoi School.
4.	Marielle Theron DIN - 0002667356	Non Executive Director	BSC in Statistics and Actuary Science Fellow of society of Actuary
6.	Joy Carolyn Linton DIN - 0007630925	Non Executive Director	Bachelor of Commerce
7.	John Lorimer DIN - 0007138581	Non Executive Director	Bachelor of Commerce
8.	K Narasimha Murthy DIN - 0000023046	Independent Director	B.SC, FCA, FCMA
9.	Pradeep Pant DIN - 0000677064	Independent Director	Master in Management Studies
10.	Burjor P. Banaji DIN - 0001341783	Independent Director	Medical School Postgraduate
11.	Dinesh Kumar Mittal DIN - 00040000	Independent Director	Master's in Physics
12.	Ashish Mehrotra DIN - 0007277318	Managing Director and Chief Executive Officer	Graduate in Business Management and MBA

- 11) Your Company did not pay any remuneration to the Directors other than sitting fees to Independent Directors.
- 12) There was no pecuniary relationships or transactions of the Non-Executive Directors with the Company during the Financial Year 2017-18.
- 13) Disclosure in respect of Remuneration or Commission, if any, received by Managing or Whole-Time Director of your Company from the Holding company or Subsidiary company, who is also in receipt of commission from the Company.

No remuneration or Commission were received by Managing Director or Whole Time Director of the Company from the Holding Company or Subsidiary Company during the year.

14) Sitting Fees

Your Company has paid sitting fees to its Non-Executive - Independent Directors namely Mr. K. Narasimha Murthy, Mr. Pradeep Pant and Dr. Burjor P. Banaji for attending the Committee & Board meeting during Financial Year 2016 - 2017. As per the requirements of the Companies Act 2013, payment of sitting fees to independent directors was approved in January 23, 2015 meeting.

Details of which is hereunder:

S. No.	Name of Independent Director	Total Meetings attended	Board Meeting /Committee Meeting	Total amount paid in INR
1.	Mr. K Narasimha Murthy	4	Board Meeting	4,00,000/-
2.	Mr. K Narasimha Murthy	8	Audit Committee	8,00,000/-
3.	Mr. K Narasimha Murthy	4	Risk Committee	4,00,000/-
4.	Mr. K Narasimha Murthy	5	Nomination and Remuneration Committee	5,00,000/-
5.	Mr. K Narasimha Murthy	1	Independent Directors Meeting	1,00,000/-
6.	Mr. Pradeep Pant	4	Board Meeting	4,00,000/-
7.	Mr. Pradeep Pant	7	Audit Committee	7,00,000/-
8.	Mr. Pradeep Pant	5	Nomination and Remuneration Committee	5,00,000/-
9.	Mr. Pradeep Pant	1	Independent Directors Meeting	1,00,000/-
10.	Mr. Burjor P. Banaji	1	Policyholders Protection Committee Meeting	1,00,000/-
11.	Mr. Burjor P. Banaji	1	Independent Directors Meeting	1,00,000/-
12.	Mr. Burjor P. Banaji	2	Board Meeting	2,00,000/-

For and on behalf of the Board of Directors

Sd/-
Rajesh Sud
 Chairman of the Board and Director
 DIN – 0002395182

Sd/-
Ashish Mehrotra
 Chief Executive Officer & Managing Director
 DIN – 0007277318

Place: New Delhi

Date: July 31, 2018

Certification from the Compliance Officer

I, Rajat Sharma, hereby certify that the Company has complied with the requirements of Corporate Governance Guidelines for Insurance Companies as amended from time to time and nothing has been concealed or suppressed.

Sd/-

Rajat Sharma

Company Secretary
Membership No – F7069

Place: New Delhi

Date: July 31, 2018

Annexure 2**PARTICULARS OF EMPLOYEES**

Pursuant to provisions of section 197 of the Companies Act, 2013 and Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the details of remuneration of the employees are given below:

a. Top 10 Employee in terms of remuneration who were Employed throughout the financial year:who were in the receipt of remuneration aggregating Rs. 1,02,00,000 or more per annum

S No	Name	Designation	Remu-nera-tion Received (INR)	Nature of em-ployment	Qualifica-tion	Experi-ence	Date of com-mence-ment of employ-ment	Age (years)	Last em-ploy-ment before joining the Company	% of Equity Capital held	whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager:
1	Ashish Mehrotra	Managing Director & CEO	41,392,708	CEO – Office	Master of Business Adminis-tration	23	04-Nov-15	49	Citibank N.A, Global Con-sumer Bank	Nil	Nil
2	Rahul Ahuja	Chief Finan-cial Officer	28,945,617	Finance	Chartered Accoun-tant, Bachelor of Com-merce	21	01-Jun-15	46	Max India Ltd.	Nil	Nil
3	Vikas Gujral	Chief Operating Officer	17,322,846	Chief Operat-ing Officer	Master of Business Adminis-tration	21	26-Jul-16	44	Max Life Insurance Co. Ltd.	Nil	Nil
4	Anurag Gupta	Senior Vice President & Head - Agency Channel	12,071,720	Sales and Dis-tribution	Post Graduate Diploma in Business Manage-ment	20	18-May-15	44	Max Life Insurance Co. Ltd.	Nil	Nil
5	Atul Bhandari	Senior Vice President & Head - Ban-cassurance and Alli-ances	10,896,348	Sales and Dis-tribution	Master of Business Admin-istration (IIM) + BE	14	01-Aug-16	41	Citi Bank	Nil	Nil
6	Partha Banerjee	Director & Head - Legal, Com-pliance & Regulatory Affairs	10,536,200	Legal, Compli-ance & Secre-tarial	LLB	23	26-Oct-16	48	Chhanda Legal Asso-ciate	Nil	Nil
7	Anika Agarwal	SVP & Head-Mar-keting Digital and Direct Sales	10,484,521	Marketing	Post Graduate Diploma in Marketing Manage-ment	15	01-Nov-11	38	Nokia Corpo-ration	Nil	Nil

- b. **Top 10 Employee in terms of remuneration who were Employed for a part of the financial year: who were in the receipt of remuneration aggregating Rs. 8,50,000 per month.**

S No	Name	Designation	Remu-nera-tion (INR)	Nature of em-ployment	Qualification	Experience	Date of commence-ment of em-ployment	Age (years)	Last employment before joining the Company	% of Equity Capital held
1	Joydeep Saha	Head – Actuarial	8,868,318	Actuarial	FIAI Qualified Actuary	16	14/06/2016	40	Appointed Actuary	Nil

- c. **Employee who was in receipt of remuneration in excess of that drawn by the Managing Director or whole time director or manager and holds by himself or along with his spouse and dependent children, not less than 2% of the equity shares of the Company:**

S No	Name	Designation	Remu-nera-tion (INR)	Nature of em-ployment	Qualification	Experience	Date of com-mencement of employment	Age (years)	Last em-ploy-ment before joining the Company	% of Equity Capital held
NIL										

For and on behalf of the Board of Directors

Sd/-
Rajesh Sud
Chairman of the Board and Director
DIN – 0002395182

Sd/-
Ashish Mehrotra
Chief Executive Officer & Managing Director
DIN – 0007277318

Place: New Delhi

Date: July 31, 2018

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

I. Details of contracts or arrangements or transactions not at arm's length basis

NONE

- a) Name(s) of the related party and nature of relationship
- b) Nature of contracts/arrangements/transactions
- c) Duration of the contracts / arrangements/transactions
- d) Salient terms of the contracts or arrangements or transactions including the value, if any
- e) Justification for entering into such contracts or arrangements or transactions
- f) date(s) of approval by the Board
- g) Amount paid as advances, if any:
- h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

II. Details of material contracts or arrangement or transactions at arm's length basis

(1) Sales and Service Training Agreement with Max Skill First Limited

- a) Name(s) of the related party and nature of relationship:-
 - Max Skill First Limited
 - Fellow subsidiary
- b) Nature of contracts/arrangements/transactions :-
 - Service Agreement.
 - Max Skill First Ltd. to provide Sales & Service training to employees and agents of Max Bupa Ltd
- c) Duration of the contracts / arrangements/transactions:-
 - Agreement being effective from 01.12.2015 is for 3 years with a termination clause which states that either party can terminate the agreement by giving one month's written notice to other party
- d) Salient terms of the contracts or arrangements or transactions including the value, if any:
 - The total contract value for the year 2017-18 will not exceed INR 5. 2 Crores. In addition Max Skill can earn a bonus of 30 Lakhs based on performance on MOS
- e) Date(s) of approval by the Audit Committee, if any: May 08, 2017
- f) Amount paid as advances, if any: NIL

(2) Functional Support Agreement with Max India Limited

- a) Name(s) of the related party and nature of relationship:-
 - Max India Limited
 - Holding Company
- b) Nature and Duration of contracts/arrangements/transactions :-
 - Functional Support Agreement
 - Max India shall provide Functional Support through its various departments to Max Bupa in respect of Max Bupa's business/operations, as mutually agreed upon between the Parties.
 - Agreement being effective from 01.04.2017 is for 1 year with a termination clause which states that either party can terminate the agreement by giving 30 days written notice to other party

- c) Salient terms of the contracts or arrangements or transactions including the value, if any:
 - The total contract value for the year 2017-18 will not exceed INR 9.00 Crores.
- d) Date(s) of approval by the Audit Committee, if any: June 30, 2017
- e) Amount paid as advances, if any: NIL

(3) Sales and Service Training Agreement with Max Skill First Limited

- a) Name(s) of the related party and nature of relationship:-
 - Max Skill First Limited
 - Fellow subsidiary
- b) Nature and Duration of contracts/arrangements/transactions :-
 - Service Agreement
 - Max Skill First Ltd. to provide Sales & Service training to employees and agents of Max Bupa Ltd
 - Agreement was effective from 01.12.2015 is for 3 years with a termination clause which states that either party can terminate the agreement by giving one month's written notice to other party
 - An Addendum agreement was entered on 1st April 2017 which expires on 31st March 2018
- c) Salient terms of the contracts or arrangements or transactions including the value, if any:
 - The duration of the new contract shall be 1 year commencing 1st April 2018.
 - The total contract value for the FY 2018-19, will not exceed INR 5.83 Crores. Aforementioned amount does not include Annual Bonus based on MOS achievement which will not exceed INR 0.30 Crores.
 - Due to expansion of business, there is an additional requirement of 2 resources (1 trainer resource for South Indian Bank relationship and 1 Zonal Head for South). The additional cost of which is included in the overall contract value of INR 5.83 Crores.
- d) Date(s) of approval by the Audit Committee, if any: March 31, 2018
- e) Amount paid as advances, if any: NIL

For and on behalf of the Board of Directors

Sd/-
Rajesh Sud
Chairman of the Board and Director
DIN – 0002395182

Sd/-
Ashish Mehrotra
Chief Executive Officer & Managing Director
DIN – 0007277318

Place: New Delhi

Date: July 31, 2018

Annexure - 4

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I REGISTRATION AND OTHER DETAILS

(i)	CIN -	U66000DL2008PLC182918
(ii)	Registration Date -	September 5, 2008
(iii)	Name of the Company -	Max Bupa Health Insurance Company Limited
(iv)	Category / Sub-Category of the Company	Public Unlisted Company
(v)	Address of the Registered office and contact details -	Max House, 1, Dr. Jha Marg, Okhla, New Delhi – 110 020
(vi)	Whether listed company -	NO
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any -	Name - MAS Services Limited. Address - T - 34, IInd Floor Okhla, Industrial area, Phase - II, New Delhi - 110020 Contact No. - 011-26387281. Email Address - info@masserv.com

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S.NO.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Stand Alone Health Insurance Company	6512 (NIC 2008)	100%

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.NO.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Max India Limited Address - Bhai Mohan Singh Nagar, Rail Majra, Tehsil Balachaur, District Nawanshahr, Punjab - 144533	L85100PB2015PLC039155	Holding Company	51	2(46)

IV SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of 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	Nil	30	30	0.00001	Nil	30	30	0.00001	Nil
b) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt (s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	408029970	64,230,000	472,259,970	50.99999	408029970	64,230,000	472,259,970	50.99999	23%
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

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	
f)	Any Other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Sub-total (A) (1)	408,029,970	64,230,030	472,260,000	51	408,029,970	64,230,030	472,260,000	51	Nil
2	Foreign									
a)	NRIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b)	Individuals	Nil	30	30	0.00001	Nil	30	30	0.00001	Nil
c)	Other – Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d)	Bodies Corp.	206,540,000	247,199,970	453,739,970	48.99999	206,540,000	247,199,970	453,739,970	48.99999	23%
e)	Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f)	Any Other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Sub-total (A) (2)	206,540,000	247,200,000	453,740,000	49	206,540,000	247,200,000	453,740,000	49	Nil
	Total shareholding of Promoter (A) = (A) (1)+(A)(2)	614,569,970	311,430,030	926,000,000	100	614,569,970	311,430,030	926,000,000	100	23%
B	Public Shareholding									
1	Institutions									
a)	Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b)	Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c)	Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d)	State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e)	Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f)	Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g)	FIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h)	Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i)	Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Sub-total (B)(1)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2	Non-Institutions									
a)	Bodies Corp. i) Indian ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
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	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c)	c. Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Sub-total (B)(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total Public Shareholding (B) = (B) (1)+ (B)(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
C	Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Grand Total (A+B+C)	614,569,970	311,430,030	926,000,000	100	614,569,970	311,430,030	926,000,000	100	Nil

(ii) Shareholding of Promoters

#	Shareholder's Name	Shareholding at the beginning of the year			Share holding 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	M/s Max India Limited	472,259,970	50.99999	Nil	472,259,970	50.99999	Nil	-23%
2	Mr. Mohit Talwar*	10	0.00001%	Nil	10	0.00001%	Nil	Nil
3	Mr. Sujatha Ratnam*	10		Nil	10		Nil	Nil
4	Mr. Jatin Khanna*	10		Nil	10		Nil	Nil
5	M/s Bupa Singapore Holdings Pte. Ltd.	453,739,970	48.99999	Nil	453,739,970	48.99999	Nil	23%
6	Mr. David Martin Fletcher **	10	0.00001%	Nil	10	0.00001%	Nil	Nil
7	Mr. John Howard Lorimer **	10		Nil	10		Nil	Nil
8	Ms. Joy Carolyn Linton**	10		Nil	10		Nil	Nil
	Total	926,000,000	1	NIL	926,000,000	1	NIL	NIL

* holding the shares as nominees of M/s Max India Limited in terms of Section 89 of the Companies Act, 2013

** holding the shares as nominees of M/s Bupa Singapore Holdings Pte. Ltd in terms of Section 89 of the Companies Act, 2013

(iii) Change in Promoters' Shareholding (please specify, if there is no change) - NO CHANGE DURING THE FINANCIAL YEAR 2017-18

#	Particular	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year				
i	Max India Limited	472,260,000	50.9999	472,260,000	50.9999
ii	Bupa Singapore Holdings Pte Ltd	453,740,000	48.9999	453,740,000	48.9999
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
a)	Allotment during the Year				
i	Max India Limited	There was no allotment made during the year			
ii	Bupa Singapore Holdings Pte Ltd				
3	At the End of the year	926,000,000	100*	926,000,000	100*

* Nominee shareholders are holding 10 equity shares of Rs. 10/- each as nominee shareholders of Max India Limited and Bupa Singapore Holdings Pte Ltd

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) - ENTIRE SHAREHOLDING IS HELD BY MAX INDIA LIMITED AND BUPA SINGAPORE HOLDINGS PTE LTD AS JOINT VENTURE PARTNERS AND PROMOTER OF THE COMPANY

#	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	Nil	Nil	Nil	Nil
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
3	At the End of the year (or on the date of separation, if separated during the year)	Nil	Nil	Nil	Nil

(v) Shareholding of Directors and Key Managerial Personnel in the Company - DIRECTORS OF THE COMPANY ARE HOLDING 10 EQUITY SHARES OF THE COMPANY AS A NOMINEE SHAREHOLDER OF JOINT VENTURE PARTNERS I.E. MAX INDIA LIMITED AND BUPA SINGAPORE HOLDINGS PTE LTD. FURTHER NO SHARE ARE HELD BY KMP DURING THE FY 2017-18

#	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year				
a)	Mr. Sujatha Ratnam	10	0.00001	Nil	Nil
b)	Mr. Mohit Talwar	10		Nil	Nil
c)	Mr. Jatin Khanna	10		Nil	Nil
d)	Mr. David Martin Fletcher	10	0.00001	Nil	Nil
e)	Mr. John Howard Lorimer	10		Nil	Nil
f)	Ms. Evelyn Brigid Bourke	10		Nil	Nil
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NO ALLOTMENT DURING THE YEAR TO THE NOMINEE SHAREHOLDERS. HENCE, NO CHANGE			
3	At the End of the year				
a)	Mr. Sujatha Ratnam	10	0.00001	Nil	Nil
b)	Mr. Jatin Khanna	10		Nil	Nil
c)	Mr. Mohit Talwar	10		Nil	Nil
d)	Mr. David Martin Fletcher	10	0.00001	Nil	Nil
e)	Mr. John Howard Lorimer	10		Nil	Nil
f)	Ms. Joy Carolyn Linton	10		Nil	Nil

(vi) **INDEBTEDNESS** (Indebtedness of the Company including interest outstanding/accrued but not due for payment)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	Nil	Nil	Nil	Nil
i Principal Amount	Nil	Nil	Nil	Nil
ii Interest due but not paid 2	Nil	Nil	Nil	Nil
iii Interest accrued but not	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year	Nil	Nil	Nil	Nil
i Addition	Nil	Nil	Nil	Nil
ii Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year	Nil	Nil	Nil	Nil
i Principal Amount	Nil	Nil	Nil	Nil
ii Interest due but not paid	Nil	Nil	Nil	Nil
iii Interest accrued but not	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil

(vii) **REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

Particulars of Remuneration to Mr. Ashish Mehrotra		Total Amount (in Rs.)
1	Gross salary	
a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	41,208,600
b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	184,108
c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0
2	Stock Option	0
3	Sweat Equity	0
4	Commission	0
a	as % of profit	
b	others, specify	
5	Others, please specify	0
	Total (A)	41,392,708

Ceiling as per the Companies Act, 2013 - THERE IS NO LIMIT UNDER COMPANIES ACT, 2013 FOR MANAGERIAL REMUNERATION. BEING AN INSURANCE COMPANY, PAYMENT TO WHOLE TIME DIRECTOR AND CHIEF EXECUTIVE OFFICER IS GOVERNED BY INSURANCE ACT, 1938

B Remuneration to other directors

#	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. K Narasimha Murthy	Mr. Pradeep Pant	Mr. Burjor p. Banaji	
	Fee for attending Board / Committee meetings	2,200,000	1,700,000	500,000	4,400,000
	Commission	Nil	Nil	Nil	Nil
	Others, please specify - Travelling Expenses	Nil	Nil	Nil	Nil
	Total (1)	2,200,000	1,700,000	500,000	4,400,000
	Other Non-Executive Directors	Nil	Nil	Nil	Nil
	Fee for attending Board / Committee meetings	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil
	Total (1)	2,200,000	1,700,000	500,000	4,400,000
	Total (B)=(1+2)	2,200,000	1,700,000	500,000	4,400,000
	Total Managerial Remuneration under Companies Act 2013	2,200,000	1,700,000	500,000	4,400,000
	Overall Ceiling as per the Companies Act 2013 (for sitting fee per meeting)	100,000	100,000	100,000	100,000

C REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

#	Particulars of Remuneration	Key Managerial Personnel ("KMP")		
		Mr. Ashish Mehrotra (CEO/WTD)	Mr. Rajat Sharma (Company Secretary)	Mr. Rahul Ahuja (Chief Financial Officer)
	Gross Salary			
a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	41,208,600	2,482,753	28,877,625
b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	184,108	28,392	67,992
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, please specify	-	-	-
	Total	41,392,708	2,511,145	28,945,617

IX 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	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

NOMINATION AND REMUNERATION POLICY

Max Bupa Health Insurance Company Limited

I. PREAMBLE

Pursuant to Section 178 of the Companies Act, 2013, the Board of Directors of Max Bupa Health Insurance Company Limited ("Max Bupa" or "Company") is required to constitute the Nomination and Remuneration Committee ("NRC" or "the Committee"). The Company has in place a NRC comprising of 4(four) non-executive Directors, of which 2(two) are Independent Directors as required under section 178 of the Companies Act, 2013. The said Committee is currently discharging all obligations of NRC.

This Committee and the Policy are formulated in compliance with Section 178 of the Companies Act, 2013 read along with Corporate Governance Guidelines for Insurance Companies issued by IRDAI, in this regard.

II. DEFINITIONS

"Board" means Board of Directors of the Company.

"Company" means "Max Bupa Health Insurance Company Limited."

"Director" means a director appointed to the Board of the Company.

"Independent Director" means a director referred to in Section 149 (6) of the Companies Act, 2013.

"Key Managerial Personnel" (KMP) means

- a) Chief Executive Officer or the Managing Director or the Manager,
- b) Company Secretary,
- c) Whole-time Director,
- d) Chief Financial Officer and
- e) Such other officer as may be prescribed.

"Nomination and Remuneration Committee" shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013.

"Policy or This Policy" means, "Nomination and Remuneration Policy."

"Remuneration" means any money or its equivalent given or passed to any person for services rendered by him / her and includes perquisites as defined under the Income-tax Act, 1961.

"Senior Management" means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the Chief Executive Officer, Whole Time Director or Managing Director, including all the functional heads.

III. GUIDING PRINCIPLES

The Policy ensures that

- a) The level and composition of remuneration are reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- b) The Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
- c) The Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay, reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The Policy shall be disclosed in the Board's Report.

IV. ROLE OF THE COMMITTEE

The role of the Committee shall be to ensure compliance of the relevant provisions of the Companies Act, 2013 and various other obligations as mentioned in the Charter of the Nomination and Remuneration Committee as approved by the Board of Directors from time to time.

V. APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL (KMP) AND SENIOR MANAGEMENT

Appointment criteria and qualifications:

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person being appointed as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has the discretion to decide whether the qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director/Manager who has attained the retirement age as per Company Policy.

VI. TERM AND TENURE

a) Managing Director/Whole-time Director (Managerial Person): The Company shall appoint or re-appoint any person as its Managerial Person for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

- i) An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- ii) No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.
- iii) For the purpose of determining the term of independent directors, the existing term of the Independent Directors as on April 1, 2014 shall not be counted a term for above clauses.

VII. EVALUATION

The Committee shall carry out evaluation of performance of every Director at a yearly interval, in accordance with Section 178 of the Companies Act, 2013, and present a report thereon to the Board of Directors.

VIII. REMOVAL

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations.

IX. RETIREMENT

The Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

X. PROVISIONS RELATING TO REMUNERATION OF MANAGERIAL PERSON, KMP AND SENIOR MANAGEMENT

- a) **Remuneration of CEO and Managing Director:** The remuneration of CEO, Whole Time Director and Managing Director inclusive of fixed pay, perquisites, allowances, short term/long-term incentives, retiral, and other components, will be determined by the Committee and recommended to the Board for approval. Wherever required, the remuneration of CEO, Whole Time Director and Managing Director shall be subject to the approval of the shareholders of the Company, Central Government and / or Insurance Regulatory Development Authority of India (IRDAI), in accordance with applicable provisions.

The remuneration and commission to be paid to CEO, Whole Time Director and Managing Director shall be as per the applicable statutory provisions of the Companies Act, 2013 read with the Insurance Act, 1938 and amendments and rules made there-under for the time being in force.

- b) **Remuneration to KMP and Senior Management:**

KMP (other than Whole Time Director and Managing Director) and Senior Management shall be eligible for a remuneration inclusive of fixed pay, perquisites, allowances, short term/ long term incentives, retiral, and other components as may be approved by NRC and as per compensation strategy / framework of the Company from time to time.

XI. REMUNERATION TO NON-EXECUTIVE / INDEPENDENT DIRECTOR:

- a) **Commission to Independent Director**

Subject to the approval of Board and Shareholders in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under, the Independent Directors may be paid profit linked commission from time to time.

Subject to the overall limit in this regard, the Board may, with mutual agreement with such director, determine and pay different commission, to each independent director.

- b) **Sitting Fees**

The Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

- c) **Engagement for Professional Services**

The Company may, in line with applicable provisions of Companies Act, 1938, read with Insurance Act, 1938 and amendments and rules there under, wherever applicable, engage any non – executive director to provide professional services from time to time. Any such engagement for professional services shall be made if NRC of the Company is of the opinion that the Director possesses the requisite qualification for practice of profession.

XII. DEVIATIONS FROM THIS POLICY

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary, in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

XIII. OWNER OF THE POLICY

The Policy is owned by Nomination and Remuneration Committee of the Company and shall be administered by the Director and Chief Human Resources Officer.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MAX BUPA HEALTH INSURANCE COMPANY LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **MAX BUPA HEALTH INSURANCE COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the related Revenue Account (also called the "Policyholders' Account" or the "Technical Account"), the Profit and Loss Account (also called the "Shareholders' Account" or "Non-Technical Account") and the Receipts and Payments Account for the year 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 financial statements that give a true and fair view of the Balance Sheet, the related Revenue Account, the Profit and Loss Account and the Receipts and Payments Account of the Company in accordance with accounting principles generally accepted in India, including the provisions of The Insurance Act, 1938 (the "Insurance Act") (amended by the Insurance Laws (Amendment) Act, 2015), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "IRDA Financial Statements Regulations"), orders/directions issued by the Insurance Regulatory and Development Authority (the "IRDAI"/ "Authority") in this regard, and the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 further amended by Companies (Accounting Standards) amendment rules 2016 to the extent applicable and in the manner so required.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 internal financial controls with reference to financial statement, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these

financial statements based on our audit.

We have taken into account the provisions of the Insurance Act, the IRDA Act, the Regulations, the Companies Act and the Rules made there under, including accounting standards, to the extent applicable, and auditing standards and matters which are required to be included in the audit report.

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 the 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements are prepared in accordance with the Insurance Act, the IRDA Act, the IRDA Financial Statements Regulations and the Companies Act to the extent applicable and in the manner so required, and give a true and fair view in conformity with the accounting principles generally accepted in India, as applicable to Insurance Companies:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
- (b) in the case of Revenue Account, of the net surplus for the year ended on that date;
- (c) in the case of Profit and Loss Account, of the profit for the year ended on that date; and
- (d) in the case of the Receipts and Payments Account, of the receipts and payments for the year ended on that date.

Other Matter

The actuarial valuation of liabilities in respect of claims Incurred but Not Reported (IBNR) including claims Incurred but Not Enough Reported (IBNER) at March 31, 2018 is the responsibility of the Company's Actuary ("Actuary") and has been duly certified by the Actuary. The Actuary has also certified that in his opinion, the assumptions for such valuation are in accordance with the applicable 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. We have relied upon the Actuary's certificate in this regard for the purpose of this report.

Report on Other Legal and Regulatory Requirements

1. As required by the IRDAI Financial Statements Regulations, we have issued a separate certificate dated May 22, 2018 certifying the matters specified in paragraphs 3 and 4 of Schedule C to the IRDA Financial Statements Regulations.
2. As required by the IRDAI Financial Statements Regulations, read with section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion and to the best of our information and according to the explanations given to us, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books;
 - (c) As the Company's financial accounting system is centralized, no returns for the purpose of our audit are prepared at the branch of the Company;
 - (d) The Balance Sheet, the Revenue Account, the Profit and Loss Account and the Receipts and Payments Account dealt with by this Report are in agreement with the books of account;
 - (e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 further amended by Companies (Accounting Standards) amendment rule 2016 to the extent they are not in consistent with the accounting principles as prescribed in the IRDAI Financial Statements Regulations and orders/directions issued by IRDAI in this regard;
 - (f) In our opinion and to the best of our information and according to the explanations given to us, investments have been valued in accordance with the provisions of the Insurance Act, the Regulations and/or orders/directions issued by IRDAI in this regard;
 - (g) On the basis of written representations received from the Directors of the Company, as on March 31, 2018 and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2018 from being appointed as a Director in terms of Section 164 (2) of the Act.
 - (h) With respect to the internal financial controls over financial reporting with reference to financial statement of the Company and the operating effectiveness of such controls, refer to "Annexure A" to this report;
 - (i) 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 has disclosed the impact of pending litigations on its financial position in its financial statements – Refer schedule 16 note C – 32 to the financial statements;
 - ii. The Company has made provision, for material foreseeable losses on long term contracts, including insurance contract. The Company did not hold any derivatives during the year.
 - iii. There have been no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For M P Chitale & Co.
Chartered Accountants
Firm Registration No.: 101851W

Murtuza Vajhi
Partner
Membership No. 112555
Place: Mumbai
Date : May 22, 2018

For Nangia & Co. LLP
Chartered Accountants
Firm Registration No.: 002391C

Vikas Gupta
Partner
Membership No. 076879
Place: Noida
Date: May 22, 2018

ANNEXURE A**TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF MAX BUPA HEALTH INSURANCE COMPANY 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 Bupa Health Insurance Company Limited

We have audited the internal financial controls over financial reporting of Max Bupa Health Insurance Company Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of internal financial control with reference to financial statements 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 including the provisions of the Insurance Act, 1938 as amended by the Insurance Laws (Amendments) Act, 2015 ("the Insurance Act"), The Insurance Regulatory and Development Authority Act, 1999 (The "IRDA Act"), The IRDA financial statement regulation order/directions issued by the Insurance Regulatory and Development Authority of India (The "IRDA") in this regard.

Auditors' 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 internal financial control with reference to financial statements 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 internal financial controls with reference to financial statements 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 judgment, 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 internal financial control with reference to financial statements over financial reporting were operating effectively as at March 31, 2018, 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.

Other Matter

The 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 Company's 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 us, as mentioned in "Other Matter" para of our audit report on the financial statements of the Company as at and for the year ended March 31, 2018. 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 Company's Actuary and has been relied upon by us. Our opinion is not qualified in respect of above matter.

For M P Chitale & Co.

Chartered Accountants

Firm Registration No.: 101851W

Murtuza Vajihi

Partner

Membership No. 112555

Place: Mumbai

Date : May 22, 2018

For Nangia & Co. LLP

Chartered Accountants

Firm Registration No.: 002391C

Vikas Gupta

Partner

Membership No. 076879

Place: Noida

Date: May 22, 2018

INDEPENDENT AUDITOR'S CERTIFICATE

(Referred to in paragraph 1 of our Report on Other Legal and Regulatory Requirements forming part of the Independent Auditor's Report dated May 22, 2018)

This certificate is issued to comply with the provisions of paragraph 3 and 4 of Schedule C of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002, ("the IRDA Financial Statements Regulations") read with Regulation 3 of the IRDA Financial Statements Regulations.

The Company's Board of Directors is responsible for complying with the provisions of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015 read with Insurance Regulatory and Development Authority of India circular IRDAI/F&A/CIR/FA/059/03/2015 dated March 31, 2015 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), the IRDA Financial Statements Regulations, orders/directions issued by the Insurance Regulatory and Development Authority of India (the "IRDA") which includes the preparation of the Management Report. This includes collecting, collating and validating data and designing, implementing and monitoring of internal controls suitable for ensuring compliance as aforesaid

Our responsibility for the purpose of this certificate, is limited to certifying matters contained in paragraphs 3 and 4 of Schedule C of the Regulations. We conducted our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (the 'ICAI'), which include the concepts of test checks and materiality.

In accordance with the information and explanations given to us and to the best of our knowledge and belief and based on our examination of the books of account and other records maintained **MAX BUPA HEALTH INSURANCE COMPANY LIMITED** ("the Company") for the year ended March 31, 2018, we certify that:

1. We have reviewed the Management Report attached to the financial statements for the year ended March 31, 2018, and on the basis of our review, there is no apparent mistake or material inconsistencies with the financial statements;
2. Based on the management representations and compliance certificates submitted to the Board of Directors by the officers of the Company charged with compliance and the same being noted by the Board, we certify that the Company has complied with the terms and conditions of registration stipulated by IRDA;
3. We have verified the cash balances, and securities, to the extent considered necessary relating to the Company's loans and investments as at March 31, 2018, by actual inspection or on the basis of certificates/confirmations received from the Custodian and/ or Depository Participants appointed by the Company, as the case may be. As at March 31, 2018, the Company does not have reversions and health interests;
4. The Company is not a trustee of any trust; and
5. No part of the assets of the Policyholders' Funds has been directly or indirectly applied in contravention to the provisions of the Insurance Act, relating to the application and investments of the Policyholders' Funds.

This certificate is issued to comply with Schedule C of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002, ("the IRDA Financial Statements Regulations") read with Regulation 3 of the IRDA Financial Statements Regulation and is not intended to be used or distributed for any purpose.

For M P Chitale & Co.
Chartered Accountants
Firm Registration No.: 101851W

Murtuza Vajhi
Partner
Membership No. 112555
Place: Mumbai
Date : May 22, 2018

For Nangia & Co. LLP
Chartered Accountants
Firm Registration No.: 002391C

Vikas Gupta
Partner
Membership No. 076879
Place: Noida
Date: May 22, 2018

FORM-B-RA**REVENUE ACCOUNT****FOR THE YEAR ENDED MARCH 31, 2018**

(Rs.'000)				
Particulars	Schedule	For the year ended Mar 31, 2018	For the year ended Mar 31, 2017	
1 Premiums earned (Net)	1	5,758,542	5,442,811	
2 Profit/(Loss) on sale/redemption of Investments		19,899	46,306	
3 Others		-	-	
4 Interest, Dividend & Rent – Gross		279,575	290,639	
Total (A)		6,058,016	5,779,756	
1 Claims Incurred (Net)	2	2,890,226	2,827,720	
2 Commission (Net)	3	226,727	589,710	
3 Operating Expenses related to Insurance Business	4	2,917,122	2,567,280	
4 Premium Deficiency		-	-	
Being Expenses of Management over the allowable limit transferred to Profit and Loss Account*		(1,077,713)	(1,055,683)	
Total (B)		4,956,362	4,929,027	
Operating Profit/(Loss) [C= (A - B)]		1,101,654	850,729	
Appropriations				
Transfer to Shareholders' Account		1,101,654	850,729	
Transfer to Catastrophe Reserve		-	-	
Transfer to Other Reserves		-	-	
Total (C)		1,101,654	850,729	

Significant Accounting Policies and Notes to Accounts 16

The Schedules and accompanying notes referred to herein form an integral part of the Revenue Account

*As required by Insurance Regulatory and Development Authority of India (Expenses of Management of Insurers transacting General or Health Insurance business) Regulations, 2016, expenses of management incurred during the year ended March 31, 2018 in respect of Miscellaneous-"Health" & "PA" insurance business transactions in India by the Company have been fully recognized in the revenue account as expenses to the extent allowable as per regulations. As per the directions from IRDAI, expenses in excess of allowable limits, as per the Regulations have been transferred to Shareholders Accounts.

As per our Audit report of even date attached. For and on behalf of the Board of Directors
Max Bupa Health Insurance Company Limited

For Nangia & Co LLP
 Chartered Accountants

Vikas Gupta
Partner
 Membership No. 076879
 Place: Noida

For M P Chitale & Co.
 Chartered Accountants

Murtuza Vajihi
Partner
 Place: Mumbai

Date: May 22, 2018

Director
K. Narasimha Murthy
 DIN: 00023046

Company Secretary
Rajat Sharma
 Mem No. FCS7069

Panel Actuary
Hema Malini Ramakrishnan
 Membership No.74

Date: May 22, 2018

Chairman & Director
Rajesh Sud
 DIN: 02395182

CEO & Managing Director
Ashish Mehrotra
 DIN: 07277318

Chief Financial Officer
Rahul Ahuja

FORM-B-PL

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED MARCH 31, 2018

		(Rs.'000)	
Particulars	Schedule	For the year ended Mar 31, 2018	For the year ended Mar 31, 2017
1 Operating Profit/(Loss)			
(a) Miscellaneous Insurance		1,101,654	850,729
2 Income From Investments			
(a) Interest, Dividend and Rent – Gross		195,040	157,181
(b) Profit/(Loss) on sale/redemption of Investments		13,882	25,043
3 Other Income			
(a) Gain/(Loss) on Foreign Exchange Fluctuation		(5,464)	2,544
(b) Interest Income		968	1,470
(c) Provisions written back		31,929	1,730
Total (A)		1,338,009	1,038,697
4 Provisions (Other than Taxation)			
(a) For diminution in the value of investments		-	-
(b) For doubtful debts		5,505	-
(c) Penalty		-	-
(d) Others		-	-
5 Other Expenses			
(a) Expenses other than those related to Insurance Business		26,393	19,780
(b) Bad debts written off		-	-
(c) Being Expenses of Management over the allowable limit transferred from Revenue Account		1,077,713	1,055,683
Total (B)		1,109,611	1,075,463
Profit/(Loss) Before Tax		228,398	(36,766)
Provision for Taxation		-	-
Profit/(Loss) After Tax		228,398	(36,766)
Appropriations			
(a) Interim dividends		-	-
(b) Proposed final dividend		-	-
(c) Dividend distribution tax		-	-
(d) Transfer to any Reserves or Other Accounts		-	-
		-	-
Balance of Profit/(Loss) brought forward from last year		(6,929,963)	(6,893,197)
Balance carried forward to Balance Sheet		(6,701,566)	(6,929,963)
Basic and Diluted Earning per Share of Rs. 10/- each		0.25	(0.04)
(also refer note 21 in Schedule 16)			
Significant Accounting Policies and Notes to Accounts	16		

The Schedules and accompanying notes referred to herein form an integral part of the Profit and Loss Account

As per our Audit report of even date attached.

For and on behalf of the Board of Directors

Max Bupa Health Insurance Company Limited**For Nangia & Co LLP**

Chartered Accountants

Vikas Gupta
PartnerMembership No. 076879
Place: Noida**Director**
K. Narasimha Murthy
DIN: 00023046**Chairman & Director**
Rajesh Sud
DIN: 02395182**For M P Chitale & Co.**
Chartered Accountants**Company Secretary**
Rajat Sharma
Mem No. FCS7069**CEO & Managing Director**
Ashish Mehrotra
DIN: 07277318**Murtuza Vajihi**
Partner
Place: Mumbai**Panel Actuary**
Hema Malini Ramakrishnan
Membership No.74**Chief Financial Officer**
Rahul Ahuja

Date: May 22, 2018

Date: May 22, 2018

FORM-B-BS

BALANCE SHEET

AS AT MARCH 31, 2018

(Rs.'000)			
Particulars	Schedule	As at Mar 31, 2018	As at Mar 31, 2017
Sources of Funds			
Share Capital	5	9,260,000	9,260,000
Share Application Money		-	-
Reserves and Surplus	6	-	-
Fair Value Change Account - Shareholders		1,040	1,320
Fair Value Change Account - Policyholders		35	1,316
Borrowings	7	-	-
Total		9,261,075	9,262,636
Application of Funds			
Investments - Shareholders	8	3,000,576	2,786,306
Investments - Policyholders	8A	3,657,308	3,490,121
Loans	9	-	-
Fixed Assets	10	368,833	327,967
Current Assets:			
Cash and Bank Balances	11	284,941	176,510
Advances and Other Assets	12	896,718	478,719
Sub-total (A)		1,181,659	655,229
Current Liabilities	13	2,673,645	2,071,649
Provisions	14	2,975,222	2,855,301
Sub-total (B)		5,648,867	4,926,950
Net Current Assets (C) = (A - B)		(4,467,208)	(4,271,721)
Miscellaneous Expenditure	15	-	-
(To the extent not written off or adjusted)			
Debit Balance in Profit and Loss Account		6,701,566	6,929,963
Total		9,261,075	9,262,636
Significant Accounting Policies and Notes to Accounts	16		

The Schedules and accompanying notes referred to herein form an integral part of the Balance Sheet

As per our Audit report of even date attached. For and on behalf of the Board of Directors

Max Bupa Health Insurance Company Limited**For Nangia & Co LLP**

Chartered Accountants

Vikas Gupta**Partner**

Membership No. 076879

Place: Noida

Director**K. Narasimha Murthy**

DIN: 00023046

Chairman & Director**Rajesh Sud**

DIN: 02395182

For M P Chitale & Co.

Chartered Accountants

Company Secretary**Rajat Sharma**

Mem No. FCS7069

CEO & Managing Director**Ashish Mehrotra**

DIN: 07277318

Murtuza Vajhi**Partner**

Place: Mumbai

Panel Actuary**Hema Malini Ramakrishnan**

Membership No.74

Chief Financial Officer**Rahul Ahuja**

Date: May 22, 2018

Date: May 22, 2018

RECEIPTS AND PAYMENT ACCOUNT

FOR THE YEAR ENDED MARCH 31, 2018

		(Rs.'000)	
S. No.	Particulars	For the year ended Mar 31, 2018	For the year ended Mar 31, 2017
A.	Cash Flows from the Operating Activities:		
1	Premium received from Policyholders, including Advance Receipts	8,366,521	6,604,914
2	Other Receipts	-	-
3	Payment to the reinsurers, net of commisisions and claims	(150,455)	(133,242)
4	Payments to co-insurers, net of claims recovery	-	(873)
5	Payments of claims	(3,708,505)	(2,896,735)
6	Payments of commission and brokerage	(790,511)	(617,437)
7	Payments of Other Operating Expenses	(2,655,644)	(2,169,921)
8	Preliminary and Pre-operative Expenses	-	-
9	Deposits, Advances and Staff Loans	(700)	(14,049)
10	Income Taxes Paid (Net)	-	-
11	Service tax & GST paid	(909,657)	(688,321)
12	Other Payments	-	-
13	Cash Flows before Extraordinary Items	151,049	84,336
14	Cash flow from extraordinary operations	-	-
15	Net Cash flows from operating activities	151,049	84,336
B.	Cash flows from investing activities:		
1	Purchase of fixed assets	(200,312)	(210,123)
2	Proceeds from sale of fixed assets	276	-
3	Purchase of investments	(2,309,662)	(3,974,460)
4	Loans disbursed	-	-
5	Sales of investments	-	664,118
6	Repayments received from Investments	2,036,900	2,842,157
7	Rents/Interests/ Dividends received	462,400	398,464
8	Investments in money market instruments and in liquid mutual funds (Net)	(416,554)	38,536
9	Expenses related to investments	-	-
10	Net Cash flows from investing activities	(426,952)	(241,308)
C.	Cash flows from financing activities		
1	Proceeds from issuance of Share Capital	-	280,000
2	Proceeds from borrowing	-	-
3	Repayments of borrowing	-	-
4	Interest/dividends paid	-	-
5	Net cash flow from financing activities	-	280,000
D	Effect of foreign exchange rates on cash and cash equivalents, net	-	-
E	Net Increase/(decrease) in cash and cash equivalents	(275,903)	123,028
	Cash and cash equivalents at the beginning of the Period	810,752	687,724
	Cash and cash equivalents at the end of the Period	534,849	810,752
	Net Increase/(decrease) in cash and cash equivalents	(275,903)	123,028

(Rs.'000)			
S. No.	Particulars	For the year ended Mar 31, 2018	For the year ended Mar 31, 2017
	Reconciliation of Cash and cash equivalents with the Balance Sheet at the end of the year		
	Cash and Bank Balances (Refer Schedule 11)	284,941	176,510
	Short term liquid investments (Refer Schedule 8: Investments Shareholder's Fund)	226,622	221,721
	Short term liquid investments (Refer Schedule 8:A Investments Policyholder's Fund)	23,286	412,521
	Cash and cash equivalents at the end of the Period	534,849	810,752

As per our Audit report of even date attached.

For and on behalf of the Board of Directors

Max Bupa Health Insurance Company Limited

For Nangia & Co LLP

Chartered Accountants

Vikas Gupta

Partner

Membership No. 076879

Place: Noida

Director

K. Narasimha Murthy

DIN: 00023046

Chairman & Director

Rajesh Sud

DIN: 02395182

For M P Chitale & Co.

Chartered Accountants

Company Secretary

Rajat Sharma

Mem No. FCS7069

CEO & Managing Director

Ashish Mehrotra

DIN: 07277318

Murtuza Vajihi

Partner

Place: Mumbai

Panel Actuary

Hema Malini Ramakrishnan

Membership No.74

Chief Financial Officer

Rahul Ahuja

Date: May 22, 2018

Date: May 22, 2018

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**SCHEDULE – 1****PREMIUM EARNED [NET OF SERVICE TAX AND GST]**

(Rs.'000)		
Particulars	For the year ended Mar 31, 2018	For the year ended Mar 31, 2017
Premium from direct business written	7,544,715	5,939,338
Add: Premium on reinsurance accepted	-	-
Less : Premium on reinsurance ceded	1,667,365	300,177
Net Premium	5,877,350	5,639,161
Less: Adjustment for change in reserve for unexpired risks	118,808	196,350
Total Premium Earned (Net)	5,758,542	5,442,811

SCHEDULE – 1A**PREMIUM EARNED [NET OF SERVICE TAX AND GST]**

(Rs.'000)								
Particulars	For the year ended Mar 31, 2018				For the year ended Mar 31, 2017			
	Health	Personal Accident	Others	Total	Health	Personal Accident	Others	Total
Premium from direct business written	7,432,655	112,060	-	7,544,715	5,909,359	29,979	-	5,939,338
Add: Premium on reinsurance accepted	-	-	-	-	-	-	-	-
Less : Premium on reinsurance ceded	1,634,184	33,181	-	1,667,365	294,898	5,279	-	300,177
Net Premium	5,798,471	78,879	-	5,877,350	5,614,461	24,700	-	5,639,161
Less: Adjustment for change in reserve for unexpired risks	95,047	23,761	-	118,808	181,930	14,420	-	196,350
Total Premium Earned (Net)	5,703,424	55,118	-	5,758,542	5,432,531	10,280	-	5,442,811

SCHEDULE – 2**CLAIMS INCURRED [NET]**

(Rs.'000)		
Particulars	For the year ended Mar 31, 2018	For the year ended Mar 31, 2017
Claims paid*		
Direct	3,674,444	2,937,058
Add: Re-insurance accepted	-	-
Less: Re-insurance Ceded	775,017	144,895
Net Claims paid	2,899,427	2,792,163
Add: Claims Outstanding at the end of the year	522,005	531,206
Less: Claims Outstanding at the beginning of the year	531,206	495,649
Total Claims Incurred**	2,890,226	2,827,720

*In case of in house TPA, IRDAI Expense of Management Regulations, 2016 permits an insurer to consider expense not exceeding 3% of Premium as a part of claim cost, accordingly amount of claim paid includes an amount of certain expenses aggregating to Rs. 169,726 thousand (previous year ended 31st March 2017 Rs. 143,071 thousand) allocated to claim handling charges. This amount preliminary includes employee and other related costs.

** Includes an amount of Rs. 137,719 thousand during the year ended 31st March 2018 (previous year ended 31st March 2017 Rs. 129,527 thousand) on account of expenses incurred towards product related benefit paid to policyholders

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**SCHEDULE – 2A
CLAIMS INCURRED [NET]**

Particulars	For the year ended Mar 31, 2018				For the year ended Mar 31, 2017			
	Health	Personal Accident	Others	Total	Health	Personal Accident	Others	Total
Claims paid*								
Direct	3,662,262	12,183	-	3,674,444	2,936,637	421	-	2,937,058
Add: Re-insurance accepted	-	-	-	-	-	-	-	-
Less: Re-insurance Ceded	774,429	588	-	775,017	144,875	21	-	144,895
Net Claims paid	2,887,832	11,595	-	2,899,427	2,791,762	401	-	2,792,163
Add: Claims Outstanding at the end of the year	496,894	25,111	-	522,005	523,441	7,765	-	531,206
Less: Claims Outstanding at the beginning of the year	523,441	7,765	-	531,206	495,414	235	-	495,649
Total Claims Incurred**	2,861,285	28,941	-	2,890,226	2,819,789	7,931	-	2,827,720

*In case of in house TPA, IRDAI Expense of Management Regulations, 2016 permits an insurer to consider expense not exceeding 3% of Premium as a part of claim cost, accordingly amount of claim paid includes an amount of certain expenses aggregating to Rs. 169,726 thousand (previous year ended 31st March 2017 Rs. 143,071 thousand) allocated to claim handling charges. This amount preliminary includes employee and other related costs.

** Includes an amount of Rs. 137,719 thousand during the year ended 31st March 2018 (previous year ended 31st March 2017 Rs. 129,527 thousand) on account of expenses incurred towards product related benefit paid to policyholders

**SCHEDULE – 3
COMMISSION**

Particulars	For the year ended Mar 31, 2018		For the year ended Mar 31, 2017	
Commission paid				
Direct	839,060		633,960	
Add: Re-insurance accepted	-		-	
Less: Commission on Re-insurance Ceded	612,333		44,250	
Net Commission	226,727		589,710	
Break up of commission paid to procure business:				
Agents	508,304		395,767	
Brokers	99,117		86,595	
Corporate Agency	231,639		151,598	
	839,060		633,960	

**SCHEDULE – 3A
COMMISSION**

Particulars	For the year ended Mar 31, 2018				For the year ended Mar 31, 2017			
	Health	Personal Accident	Others	Total	Health	Personal Accident	Others	Total
Commission paid								
Direct	824,831	14,229	-	839,060	629,448	4,512	-	633,960
Add: Re-insurance accepted	-	-	-	-	-	-	-	-
Less: Commission on Re-insurance Ceded	604,773	7,560	-	612,333	42,831	1,419	-	44,250
Net Commission	220,058	6,669	-	226,727	586,617	3,093	-	589,710
Break Up of expenses incurred to procure business:								
Agents	502,288	6,016	-	508,304	395,681	86	-	395,767
Brokers	99,002	115	-	99,117	86,440	155	-	86,595
Corporate Agency	223,541	8,098	-	231,639	147,327	4,271	-	151,598
	824,831	14,229	-	839,060	629,448	4,512	-	633,960

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE – 4

OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

		(Rs.'000)	
Particulars	For the year ended Mar 31, 2018	For the year ended Mar 31, 2017	
1 Employees' remuneration and welfare benefits	1,363,966	1,144,720	
2 Travel, conveyance and vehicle running expenses	71,762	65,479	
3 Training expenses	83,609	84,960	
4 Rents, rates and taxes	109,964	115,645	
5 Repairs	125,449	158,158	
6 Printing and stationery	31,009	22,154	
7 Communication	78,764	81,405	
8 Legal and professional charges	412,421	318,833	
9 Auditors' fees, expenses etc	-	-	
(a) as auditor	3,180	4,105	
(b) as adviser or in any other capacity, in respect of	-	-	
(i) Taxation matters	25	175	
(ii) Insurance matters	-	-	
(iii) Management services; and	-	83	
(c) in any other capacity	-	-	
(i) Tax Audit Fees	150	80	
(ii) Certification Fees	150	-	
10 Advertisement and publicity	418,070	405,072	
11 Interest and bank charges	24,555	20,298	
12 Others	-	-	
(a) Business and Sales Promotion	2,682	3,435	
(b) Membership and Subscription	2,725	2,424	
(c) Insurance	2,530	2,825	
(d) Sitting Fee	4,400	3,600	
(e) Reward or Remuneration Agents	11,561	-	
(f) Loss on disposal of fixed assets	408	640	
(g) Sundry Balances W/off	4,077	1,412	
(h) Board Meeting Expenses	1,625	2,303	
(i) Miscellaneous Expenses*	321	311	
13 Depreciation	158,762	115,479	
14 Service Tax A/c & GST	4,954	13,684	
Total	2,917,122	2,567,280	

* None of the items individually are higher than Rs.500,000 or 1% of Net Written Premium.

SCHEDULE – 4A

OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

(Rs.'000)									
Particulars		For the year ended Mar 31, 2018				For the year ended Mar 31, 2017			
		Health	Personal			Health	Personal		
			Accident	Others	Total		Accident	Others	Total
1	Employees' remuneration and welfare benefits	1,343,707	20,259	-	1,363,966	1,138,942	5,778	-	1,144,720
2	Travel, conveyance and vehicle running expenses	70,696	1,066	-	71,762	65,148	331	-	65,479
3	Training expenses	82,367	1,242	-	83,609	84,531	429	-	84,960

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

		(Rs.'000)							
Particulars		For the year ended Mar 31, 2018				For the year ended Mar 31, 2017			
		Health	Personal		Total	Health	Personal		Total
			Accident	Others			Accident	Others	
4	Rents, rates and taxes	108,331	1,633	-	109,964	115,061	584	-	115,645
5	Repairs	123,586	1,863	-	125,449	157,360	798	-	158,158
6	Printing and stationery	30,548	461	-	31,009	22,042	112	-	22,154
7	Communication	77,594	1,170	-	78,764	80,994	411	-	81,405
8	Legal and professional charges	406,295	6,126	-	412,421	317,224	1,609	-	318,833
9	Auditors' fees, expenses etc								
	(a) as auditor	3,133	47	-	3,180	4,084	21	-	4,105
	(b) as adviser or in any other capacity, in respect of								
	(i) Taxation matters	25	-	-	25	174	1	-	175
	(ii) Insurance matters	-	-	-	-	-	-	-	-
	(iii) Management services; and	-	-	-	-	83	-	-	83
	(c) in any other capacity								
	(i) Tax Audit Fees	148	2	-	150	80	-	-	80
	(ii) Certification Fees	148	2	-	150	-	-	-	-
10	Advertisement and publicity	411,860	6,210	-	418,070	403,027	2,045	-	405,072
11	Interest and bank charges	24,190	365	-	24,555	20,196	102	-	20,298
12	Others								
	(a) Business and Sales Promotion	2,642	40	-	2,682	3,418	17	-	3,435
	(b) Membership and Subscription	2,685	40	-	2,725	2,412	12	-	2,424
	(c) Insurance	2,492	38	-	2,530	2,811	14	-	2,825
	(d) Sitting Fee	4,335	65	-	4,400	3,582	18	-	3,600
	(e) Reward or Remuneration Agents	11,389	172	-	11,561	-	-	-	-
	(f) Loss on disposal of fixed assets	402	6	-	408	637	3	-	640
	(g) Sundry Balances W/off	4,016	61	-	4,077	1,405	7	-	1,412
	(h) Board Meeting Expenses	1,601	24	-	1,625	2,291	12	-	2,303
	(i) Miscellaneous Expenses*	316	5	-	321	310	1	-	311
13	Depreciation	156,404	2,358	-	158,762	114,896	583	-	115,479
14	Service Tax A/c & GST	4,880	74	-	4,954	13,615	69	-	13,684
	Total	2,873,793	43,329	-	2,917,122	2,554,323	12,957	-	2,567,280

* None of the items individually are higher than Rs.500,000 or 1% of Net Written Premium.

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE – 5 SHARE CAPITAL

(Rs.'000)		
Particulars	As at Mar 31, 2018	As at Mar 31, 2017
1 Authorised Capital		
1,00,00,00,000 Equity Shares of Rs 10 each	10,000,000	10,000,000
2 Issued Capital		
92,60,00,000 Equity Shares of Rs 10 each (Previous year ended as at 31st March, 2017 92,60,00,000 Equity Shares of Rs 10 each)	9,260,000	9,260,000
3 Subscribed Capital		
92,60,00,000 Equity Shares of Rs 10 each (Previous year ended as at 31st March, 2017 92,60,00,000 Equity Shares of Rs 10 each)	9,260,000	9,260,000
4 Called-up Capital		
92,60,00,000 Equity Shares of Rs 10 each (Previous year ended as at 31st March, 2017 92,60,00,000 Equity Shares of Rs 10 each)	9,260,000	9,260,000
Less: Calls unpaid	-	-
Add: Equity Shares forfeited (Amount originally paid up)	-	-
Less: Par Value of Equity Shares bought back	-	-
Less: Preliminary Expenses	-	-
Less: Expenses including commission or brokerage on underwriting or subscription of shares	-	-
Total	9,260,000	9,260,000

Out of the above, 47,22,60,000 (Previous year ended as at 31st March, 2017 47,22,60,000) Equity Shares of Rs. 10/- each are held by the holding company along with its nominees.

SCHEDULE – 5A PATTERN OF SHAREHOLDING [As certified by the Management]

Shareholders	As at Mar 31, 2018		As at Mar 31, 2017	
	Number of Shares	% of holding	Number of Shares	% of holding
Promoters				
- Indian	472,260,000	51.00%	472,260,000	51.00%
- Foreign	453,740,000	49.00%	453,740,000	49.00%
Others	-	-	-	-
Total	926,000,000	100.00%	926,000,000	100.00%

SCHEDULE – 6 RESERVES AND SURPLUS

(Rs.'000)		
Particulars	As at Mar 31, 2018	As at Mar 31, 2017
1 Capital Reserve	-	-
2 Capital Redemption Reserve	-	-
3 Share Premium	-	-
4 General Reserves	-	-
Less: Debit balance in Profit and Loss Account	-	-
Less: Amount utilized for Buy-back	-	-
5 Catastrophe Reserve	-	-
6 Other Reserves	-	-
7 Balance of Profit in Profit & Loss Account	-	-
Total	-	-

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**SCHEDULE – 7
BORROWINGS**

(Rs.'000)		
Particulars	As at Mar 31, 2018	As at Mar 31, 2017
1 Debentures/ Bonds	-	-
2 Banks	-	-
3 Financial Institutions	-	-
4 Others	-	-
Total	-	-

**SCHEDULE – 8
INVESTMENTS - SHAREHOLDERS**

(Rs.'000)		
Particulars	As at Mar 31, 2018	As at Mar 31, 2017
LONG TERM INVESTMENTS		
1 Government securities and Government guaranteed bonds including Treasury Bills	352,607	306,359
2 Other Approved Securities	565,522	514,540
3 Other Investments		
(a) Shares		
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual Funds	-	-
(c) Derivative Instruments	-	-
(d) Debentures/ Bonds	254,605	255,132
(e) Other Securities	-	-
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	-	-
4 Investments in Infrastructure and Social Sector	549,399	549,496
5 Other than Approved Investments	-	-
1 Government securities and Government guaranteed bonds including Treasury Bills (refer Note (b) below)	103,100	-
2 Other Approved Securities	-	-
3 Other Investments		
(a) Shares		
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual Funds	226,622	99,079
(c) Derivative Instruments	-	-
(d) Debentures/ Bonds	251,140	241,758
(e) Other Securities	359,500	597,300
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	-	-
4 Investments in Infrastructure and Social Sector	338,081	100,000
5 Other than Approved Investments*	-	122,642
Total	3,000,576	2,786,306

* Represents investments in mutual funds

- a. Aggregate amount of shareholder's investments other than listed equity securities and derivative instruments is Rs. 30,00,576 thousand (Previous year ended as on 31st March, 2017 Rs. 27,86,306 thousand). Market value of such investments is Rs. 30,05,974 thousand (Previous year ended as on 31st March, 2017 Rs. 28,60,614 thousand).

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

- b. The historical cost of investments in mutual funds which have been valued on fair value basis is Rs. 2,25,582 thousand (Previous year ended 31st March 2017 Rs. 2,20,401 thousand).

(Rs.'000)		
Particulars	As at Mar 31, 2018	As at Mar 31, 2017
Government securities and Government guaranteed bonds including Treasury Bills	1,106,587	1,118,787
Other Approved Securities	-	-
Other Investments		
(a) Shares		
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual Funds	-	-
(c) Derivative Instruments	-	-
(d) Debentures/ Bonds	503,180	652,994
(e) Other Securities	-	22,500
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	-	-
Investments in Infrastructure and Social Sector	1,005,312	657,361
Other than Approved Investments	-	-
Government securities and Government guaranteed bonds including Treasury Bills (refer Note (b) below)	-	-
Other Approved Securities	-	-
Other Investments		
(a) Shares		
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual Funds	23,286	126,717
(c) Derivative Instruments	-	-
(d) Debentures/ Bonds	489,583	340,237
(e) Other Securities	238,200	89,600
(f) Subsidiaries	-	-
(g) Investment Properties-Real Estate	-	-
Investments in Infrastructure and Social Sector	291,160	196,121
Other than Approved Investments*	-	285,804
Total	3,657,308	3,490,121

* Represents investments in mutual funds

Aggregate amount of policyholder's investments other than listed equity securities and derivative instruments is Rs. 36,57,308 thousand (Previous year ended as on 31st March 2017 Rs. 34,90,121 thousand). Market value of such investments is Rs. 36,81,857 thousand (Previous year ended as on 31st March 2017 Rs. 35,64,687 thousand).

The historical cost of investments in mutual funds which have been valued on fair value basis is Rs. 23,251 thousands (Previous year ended 31st March 2017 Rs. 4,11,205 thousand).

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE – 9
LOANS

		(Rs.'000)	
Particulars		As at Mar 31, 2018	As at Mar 31, 2017
1 Security-Wise Classification			
Secured			
(a) On mortgage of property		-	-
(aa) In India		-	-
(bb) Outside India		-	-
(b) On Shares, Bonds, Govt. Securities		-	-
(c) Others		-	-
Unsecured		-	-
Total		-	-
2 Borrower-Wise Classification			
(a) Central and State Governments		-	-
(b) Banks and Financial Institutions		-	-
(c) Subsidiaries		-	-
(d) Industrial Undertakings		-	-
(e) Others		-	-
Total		-	-
3 Performance-Wise Classification			
(a) Loans classified as standard		-	-
(aa) In India		-	-
(bb) Outside India		-	-
(b) Non-performing loans less provisions		-	-
(aa) In India		-	-
(bb) Outside India		-	-
Total		-	-
4 Maturity-Wise Classification			
(a) Short Term		-	-
(b) Long Term		-	-
Total		-	-

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**SCHEDULE – 10
FIXED ASSETS**

(Rs.'000)											
S N	Particulars	Cost/ Gross Block			Depreciation					Net Block	
		As at Mar 31, 2017	Additions	De- duc- tions	As at Mar 31, 2018	Upto Mar 31, 2017	For the year	On Sales/ Adjust- ments	Upto Mar 31, 2018	As at Mar 31, 2018	As at Mar 31, 2017
1	Goodwill	-	-	-	-	-	-	-	-	-	-
2	Intangibles										
	a) Softwares	464,004	142,622	23	606,603	286,579	85,430	23	371,986	234,617	177,424
	b) Website	11,258	-	-	11,258	11,115	105		11,220	38	143
3	Land-Freehold	-			-	-			-	-	-
4	Leasehold Property	158,855	4,761	1,111	162,505	110,805	24,828	956	134,677	27,828	48,049
5	Buildings	-			-	-			-	-	-
6	Furniture & Fittings	30,228	1,569	1,893	29,903	25,640	2,849	1,872	26,617	3,286	4,588
7	Information Technology Equipment	117,296	13,989	41	131,244	59,925	24,156	41	84,041	47,203	57,371
8	Information Technology Equipment (End User Devices)	94,652	34,564	10,915	118,301	78,193	12,009	10,681	79,522	38,779	16,459
9	Vehicles	-			-	-			-	-	-
10	Office Equipment	63,175	7,127	2,150	68,151	43,562	9,385	1,877	51,070	17,081	19,613
11	Others	-			-	-		-	-	-	-
	Total	939,467	204,631	16,133	1,127,966	615,820	158,762	15,449	759,133	368,833	323,647
12	Capital work in progress	4,320		4,320	-	-	-	-	-	-	4,320
	Grand total	943,787	204,631	20,453	1,127,966	615,820	158,762	15,449	759,133	368,833	327,967
	Previous year	740,185	228,056	24,454	943,787	506,222	115,471	5,873	615,820	327,967	-

Notes:

1. Leasehold property consists of civil and other improvements at premises taken on long term lease by the Company.

**SCHEDULE – 11
CASH AND BANK BALANCES**

(Rs.'000)		
Particulars	As at Mar 31, 2018	As at Mar 31, 2017
1 Cash (including cheques, drafts and stamps)	21,227	26,183
2 Bank Balances		
(a) Deposit Accounts		
(aa) Short-term (due within 12 months)	106,500	54,000
(bb) Others	-	-
(b) Current Accounts	157,214	96,327
(c) Others	-	-
3 Money at Call and Short Notice		
(a) With Banks	-	-
(b) With other Institutions	-	-
4 Others	-	-
Total	284,941	176,510

Balances with non-scheduled banks included in 2 above is Rs. 189 thousand (Previous year ended 31st March 2017 Rs. 474 thousand).

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**SCHEDULE – 12****ADVANCES AND OTHER ASSETS**

		(Rs.'000)	
Particulars		As at Mar 31, 2018	As at Mar 31, 2017
ADVANCES			
1	Reserve deposits with ceding companies	-	-
2	Application money for investments	-	-
3	Prepayments	31,548	28,743
4	Advances to Directors/Officers	-	-
5	Advance tax paid and taxes deducted at source	-	-
6	Others (to be specified)		
	(a) Advance to Suppliers	53,508	63,701
	Less: Provisions made	(3,607)	(3,876)
	Sub-total	49,902	59,825
	(b) Other advances (Gross Amount)	2,248	285
	Less: Provisions made	(2,248)	-
	Sub-total	-	285
	Total (A)	81,450	88,853
OTHER ASSETS			
1	Income accrued on investments*	178,197	209,271
2	Outstanding Premiums**	85,598	88,793
	Less: Provisions made	(41,698)	(38,293)
	Sub-total	43,900	50,500
3	Agents' Balances	168	2,122
	Less: Provisions made	(168)	(2,122)
	Sub-total	-	-
4	Foreign Agencies Balances	-	-
5	Due from other entities carrying on insurance business	366,267	63,010
	Less: Provisions made	-	(2,033)
	Sub-total	366,267	60,977
6	Due from subsidiaries/ holding	-	-
7	Deposit with Reserve Bank of India [Pursuant to section 7 of Insurance Act, 1938]	-	-
8	Others		
	(a) Rent and other deposits	50,633	49,933
	(b) GST unutilized credit	157,333	19,185
	(c) Deposits against unclaimed amount of policyholders	17,999	-
	(d) Interest accrued on deposits against unclaimed amount	939	-
	Total (B)	815,268	389,866
	Total (A+B)	896,718	478,719

* Includes Interest accrued on Fixed Deposits classified under Cash & Bank

** Includes Rs. 74,273 thousand (Previous year ended as on 31st March 2017 Rs. 81,817 thousand) receivable from Central / State Government on account of premium under RSBY Scheme against which provision of Rs. 41,698 thousand (Previous year ended as on 31st March 2017 Rs. 38,293 thousands) has been created.

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**SCHEDULE – 13
CURRENT LIABILITIES**

(Rs.'000)		
Particulars	As at Mar 31, 2018	As at Mar 31, 2017
1 Agents' balances	94,207	68,368
2 Balances due to other insurance companies	470,315	102,654
3 Deposits held on re-insurance ceded	-	-
4 Premiums received in advance	52,428	37,375
5 Unallocated premium	71,363	86,160
6 Sundry creditors	1,322,976	1,164,347
7 Due to subsidiaries/ holding company	-	-
8 Claims Outstanding*	522,005	531,206
9 Unclaimed amount of policyholders	13,676	16,554
10 Due to Officer/ Director	-	25,992
11 Others		
(a) Tax deducted at source	60,548	25,901
(b) Other statutory dues	9,708	7,569
(c) Service Tax & GST liability	42,764	-
(d) Advance from Corporate Clients	11,747	4,360
(e) Interest on unclaimed amount of Policyholders	1,907	1,163
Total	2,673,645	2,071,649

*includes IBNR and IBNER reserves

**SCHEDULE – 14
PROVISIONS**

(Rs.'000)		
Particulars	As at Mar 31, 2018	As at Mar 31, 2017
1 Reserve for Unexpired Risk*	2,939,618	2,820,810
2 For taxation (less advance tax paid and taxes deducted at source)	-	-
3 For proposed dividends	-	-
4 For dividend distribution tax	-	-
5 Others		
(a) For Gratuity	10,975	9,014
(b) For Leave Encashment	24,629	25,477
(c) Premium Deficiency Reserve	-	-
Total	2,975,222	2,855,301

* Includes provision for freeloop cancellation Rs. 943 thousand (Previous year ended 31st March 2017 Rs. 1,229 thousand).

**SCHEDULE – 15
MISCELLANEOUS EXPENDITURE**

(Rs.'000)		
Particulars	As at Mar 31, 2018	As at Mar 31, 2017
(To the extent not written off or adjusted)		
1 Discount Allowed in issue of shares/ debentures	-	-
2 Others	-	-
Total	-	-

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

FORM IRDAI-GI-TA

STATEMENT OF ADMISSIBLE ASSETS: MAX BUPA HEALTH INSURANCE COMPANY LIMITED

(All amounts in Rupees of Lakhs)

Particulars	Policyholders A/c	Shareholders A/c	Total
Investments			
Investments Shareholder' SCH 8	-	30,006	30,006
Investments Policyholder' SCH 8A	36,573	-	36,573
Total Investments as per BS ---- (A)	36,573	30,006	66,579
Inadmissible investment assets as per Clause (1) of Schedule I---- (B)	-	-	-
Fixed assets			
Fixed assets as per BS ---- (C)	-	3,688	3,688
Inadmissible Fixed assets as per Clause (1) of Schedule - I ----(D)	-	311	311
Current Assets			
Cash & Bank Balances as per BS ---- (E)	-	2,849	2,849
Advances and Other assets as per BS ---- (F)	-	8,967	8,967
Total Current Assets as per BS -- (G)= (E)+(F)	-	11,816	11,816
Inadmissible Current Assets as per Clause (1) of Schedule - I ----(H)	-	642	642
Loans			
Loans as per BS ----(I)	-	-	-
Fair Value Change Account subject to minimum of Zero ---- (J)	-	10	10
Total Assets as per BS -- (K) = (A)+(C)+(G)+(I)	36,573	45,510	82,083
(Excluding current liabilities and provisions)			
Total Inadmissible Assets -(L) = (B)+(D)+(H)+(J)	-	963	963
Total Admissible Assets for Solvency -- (K)-(L)	36,573	44,547	81,120
(Excluding current liabilities and provisions)			

We Certify the statements has been prepared in accordance with Schedule I

Panel Actuary
Hema Malini Ramakrishnan, FIAI
 Membership No. 74

CEO & Managing Director
Ashish Mehrotra
 DIN: 07277318

For Nangia & Co LLP
 Chartered Accountants
 ICAI Firm Registration No. 002391C

For M P Chitale & Co.
 Chartered Accountants
 ICAI Firm Registration No. 101851W

Vikas Gupta
 Membership No. 076879
 Place: Noida

Murtuza Vajihi
 Membership No. 112555
 Place: Mumbai

Date: May 22, 2018

Date: May 22, 2018

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**FORM IRDAI-GI-TR****Insurance Regulatory and Development Authority of India****(Assets, Liabilities, and Solvency Margin of General Insurance Business) Regulations, 2016****TABLE I - STATEMENT OF LIABILITIES: MAX BUPA HEALTH INSURANCE COMPANY LIMITED****As at Mar 31, 2018**

Name of Insurer: Max Bupa Health Insurance Company Limited

Registration Number: 145

Date of Registration: February 15, 2010

Classification: Business within India/ Total Business

(All amounts in Rupees of Lakhs)		
Reserve	Gross Reserve	Net Reserve
Unearned Premium Reserve (UPR) (a)	37,733	29,396
Premium Deficiency Reserve (PDR) (b)	-	-
Unexpired Risk Reserve (URR) (c) = (a) + (b)	37,733	29,396
Outstanding Claim Reserve (other than IBNR Reserve) (d)	1,954	1,479
IBNR Reserve (e)	4,450	3,741
Total Reserves for Technical Liabilities (f) = (c) + (d) + (e)	44,137	34,616

Certification**(1) Certification from Statutory Auditor**

I certify that the above statement represents the liabilities of the insurer which have been determined in the manner prescribed in the Insurance Regulatory and Development Authority of India (Assets, Liabilities and Solvency Margin of General Insurance Business) Regulations, 2016 and the amounts of such liabilities are fair and reasonable. I also further certify that the outstanding claims reserves that are estimated using statistical methods, PDR and IBNR Reserves in the statement above have been determined by the Panel Actuary and her certificate is furnished below.

Qualifications (in regard to the determination of liabilities) : Nil

For Nangia & Co LLP

Chartered Accountants

ICAI Firm Registration No. 002391C

For M P Chitale & Co.

Chartered Accountants

ICAI Firm Registration No. 101851W

Vikas Gupta

Membership No. 076879

Place: Noida

Date: May 22, 2018

Murtuza Vajihi

Membership No. 112555

Place: Mumbai

Date: May 22, 2018

(2) Certification from the Panel Actuary

I certify that, I have checked the data to the best of my ability and I am satisfied that the data is consistent, reliable and complete. I also further certify that the outstanding claims reserves that are estimated using statistical methods, PDR and IBNR reserves in the statement above have been determined using actuarial principles and in the manner prescribed in the Insurance Regulatory Development Authority of India (Assets, Liabilities and solvency Margin of General Insurance Business) Regulations, 2016. These reserves, estimated as on the 31st Day of March of 2018 represent, in my opinion, a fair reflection of the expected future experience.

Qualifications: Nil

Name of Insurer: Max Bupa Health Insurance Co. Ltd.

Place: Bengaluru

Date: May 22, 2018

Panel Actuary**Hema Malini Ramakrishnan**

Membership No.: 74

(3) Certification by Principal Officer**I certify that**

- Full and accurate particulars of every policy and claim have been furnished to the Panel Actuary, Ms. Hema Malini Ramakrishnan for the purpose of the determination of Technical Reserves as on the 31st Day of March of 2018.
- The Data provided to the Panel Actuary reconciles with the Audited Financials as at 31st Day of March of 2018

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

- (c) The Panel Actuary has been made aware of all the information pertaining to underwriting, claims and reinsurance policies and practices followed by the Insurer.

Qualifications : Nil

Name of Insurer: Max Bupa Health Insurance Co. Ltd.

Principal Officer, CEO & MD

Ashish Mehrotra

DIN: 07277318

Place: New Delhi

Date: May 22, 2018

(4) Certification by Chief Financial Officer

I certify that the UPR has been determined as per the extant provisions of the Authority.

Qualifications : Nil

Name of Insurer : Max Bupa Health Insurance Co. Ltd.

Place: New Delhi

Date: May 22, 2018

Chief Financial Officer

Rahul Ahuja

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**FORM IRDAI-GI-SM****Insurance Regulatory and Development Authority of India****(Assets, Liabilities, and Solvency Margin of General Insurance Business) Regulations, 2016****TABLE I - STATEMENT OF SOLVENCY MARGIN: MAX BUPA HEALTH INSURANCE COMPANY LIMITED****As at Mar 31, 2018**

Name of Insurer: Max Bupa Health Insurance Company Limited

Registration Number: 145

Date of Registration: February 15, 2010

Classification: Business within India/ Total Business

TABLE IA: REQUIRED SOLVENCY MARGIN BASED ON NET PREMIUM AND NET INCURRED CLAIMS

(All amounts in Rupees of Lakhs)

Item No.	Line of Business	Gross Premium	Net Premium	Gross Incurred Claims	Net Incurred Claims	RSM1	RSM2	RSM	Factor A	Factor B
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
01	Fire	-	-	-	-	-	-	-	0.50	0.50
02	Marine Cargo	-	-	-	-	-	-	-	0.60	0.60
03	Marine - Other than Marine Cargo	-	-	-	-	-	-	-	0.50	0.50
04	Motor	-	-	-	-	-	-	-	0.75	0.75
05	Engineering	-	-	-	-	-	-	-	0.50	0.50
06	Aviation	-	-	-	-	-	-	-	0.50	0.50
07	Liability	-	-	-	-	-	-	-	0.75	0.75
08	Health	75,447	58,774	37,557	28,902	11,755	8,671	11,755	0.75	0.75
09	Miscellaneous	-	-	-	-	-	-	-	0.70	0.70
	Total	75,447	58,774	37,557	28,902	11,755	8,671	11,755		

TABLE IB: AVAILABLE SOLVENCY MARGIN AND SOLVENCY RATIO

Name of Insurer: Max Bupa Health Insurance Company Limited

Registration Number: 145

Date of Registration: February 10, 2010

Classification: Business within India/ Total Business

(All amounts in Rupees of Lakhs)

(1)	(2)	(3)
Item No.	DESCRIPTION	Amount
(A)	Policyholder's Funds	36,573
	Available Assets (as per Form IRDAI-GI-TA)	
	Deduct:	
(B)	Current Liabilities as per BS	5,220
(C)	Provisions as per BS	29,396
(D)	Other Liabilities	-
(E)	Excess in Policyholder's Funds (A)-(B)-(C)-(D)	1,957
	Shareholder's Funds	
(F)	Available Assets	44,547
	Deduct:	
(G)	Other Liabilities	21,717
(H)	Excess in Shareholder's Funds (F)-(G)	22,830
(I)	Total ASM (E) + (H)	24,787
(J)	Total RSM	11,755
(K)	Solvency Ratio (Total ASM/Total RSM)	2.11

Certification:

We, the Statutory Auditors, hereby certify that the above statements have been prepared in accordance with the Section 64VA of the insurance Act, 1938, and the amounts mentioned herein are true to the best of our knowledge.

For Nangia & Co LLP

Chartered Accountants

ICAI Firm Registration No. 002391C

Vikas Gupta

Membership No. 076879

Place: Noida

Date: May 22, 2018

For M P Chitale & Co.

Chartered Accountants

ICAI Firm Registration No. 101851W

Murtuza Vajihi

Membership No. 112555

Place: Mumbai

Date: May 22, 2018

Principal Officer, CEO & MD**Ashish Mehrotra**

DIN: 07277318

Panel Actuary**Hema Malini Ramakrishnan, FIAI**

Membership No.74

Chief Financial Officer**Rahul Ahuja**

Date: May 22, 2018

Date: May 22, 2018

Date: May 22, 2018

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**SCHEDULE 16****SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2018****A. BACKGROUND**

Max Bupa Health Insurance Company Limited ("The Company") was incorporated in India on 5th September, 2008 and received the Certificate of Commencement of Business on 23rd December 2008.

The Company is a joint venture between Max India Limited and BupaSingapore Holding Pte, Singapore.

The Company underwrites primarily Health Insurance business which includes Personal accident and Critical illness.

The Company obtained regulatory approval to undertake Health Insurance business on 15th February 2010 from Insurance Regulatory and Development Authority of India (IRDAI) under section 3(2A) of the Insurance Act, 1938. The Company had started selling Policies in March 2010.

B. SIGNIFICANT ACCOUNTING POLICIES**(a) Basis of Preparation of Financial Statements**

The accompanying financial statements are prepared and presented under the historical cost convention, unless otherwise stated, and on accrual basis of accounting, in accordance with accounting principles generally accepted in India (Indian GAAP). The Company has 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) Amendments Rules 2016 as amended and Companies (Accounting Standards) Amendment Rules 2016 and in accordance with the provisions of the Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015), Insurance Regulatory and Development Authority Act, 1999, and the regulations framed there under, various circulars issued by the IRDAI and the practices prevailing within the insurance industry in India. Accounting policies applied have been consistent with previous year except where

differential treatment is required as per new pronouncements made by the regulatory authorities.

(b) 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.

(c) Revenue Recognition**(i) Premium Income**

Premium (net of Service tax and GST) is recognized as income on the commencement of risk after adjusting for unearned premium (unexpired risk). Any subsequent revision or cancellation of premiums are accounted for in the year in which they occur.

Unearned Premium Reserve

Unearned Premium Reserve (UPR) means an amount representing that part of the premium written (net of reinsurance ceded) which is attributable and to be allocated to the succeeding accounting periods. In accordance with IRDAI circular dated April 4, 2016 reserve for unexpired is calculated at 50% of the net premium of preceding twelve months.

Premium Deficiency

Premium Deficiency Reserve means the reserve held in excess of the unearned premium reserve, which allows for any expectation that the unearned premium reserve will be insufficient to cover the cost of claims and related expenses incurred during the period of unexpired risk. Computation of unexpired premium risk

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

for the purpose of premium deficiency is based on the 1/365 method. Assessment of expected claim cost and related expenses is certified by the Appointed/Panel Actuary in accordance with IRDAI (Assets, Liabilities and Solvency margin of General Insurance Business) Regulation, 2016.

(ii) Reinsurance ceded

Reinsurance premium ceded is accounted in the year in which the risk commences and over the period of risk in accordance with the treaty arrangement with the reinsurers. Any subsequent revision to, refunds or cancellations of premium are recognized in the year in which they occur.

(iii) Commission on Reinsurance Premium

Commission on reinsurance ceded is recognized as income on ceding of reinsurance premium.

Profit commission under reinsurance treaties, wherever applicable, is recognized as income in the year of final determination of the profits and as intimated by the Reinsurer.

(iv) Interest / Dividend Income

Interest income is recognized on accrual basis. Dividend income is recognized when the right to receive the dividend is established.

(v) Premium/discount on purchase of investments

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

(vi) Profit/Loss on Sale/Redemption of Investments

Profit and Loss on sale/redemption of investments, being the difference between sale consideration/redemption values and carrying value of investments (i.e weighted average value) is credited or charged to Revenue or/and Profit and Loss account as applicable. The profit/loss on sale of

investment includes accumulated changes in the fair value previously recognized in 'Fair Value Change Account' in respect of a particular security. Sale consideration for the purpose of realised gain/loss is net of brokerage and taxes, if any, and excludes interest received on sale.

(d) Acquisition Cost of Insurance Contracts

Acquisition costs are those costs that vary with, and are primarily related to the acquisition of new and renewal of insurance contracts viz. commission, policy issue expenses, etc. These costs are expensed in the period in which they are incurred.

(e) Premium received in advance

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

(f) Claims/Benefits Incurred

Claims incurred comprises of claims/benefits paid, change in estimated liability for outstanding claims, change in estimated liability for claims incurred but not reported (IBNR) and claims incurred but not enough reported (IBNER) and specific settlement costs comprising legal and other directly attributable expenses.

Provision is made for estimated value of outstanding claims/benefits at the Balance Sheet date net of claims recoverable from reinsurance. Such provision is made on the basis of the ultimate amounts that are likely to be paid on each claim/benefits, established by the management in light of past experience and progressively modified for changes as appropriate, on availability of further information and include claim settlement costs likely to be incurred to settle outstanding claims.

Claims/benefits (net of amounts receivable from reinsurers/coinsurers) are recognized on the date of intimation based on estimates from insured in the respective revenue accounts

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**IBNR and IBNER**

The estimated liability for claims incurred but not reported (IBNR) and claims incurred but not enough reported (IBNER) is estimated by the Appointed/Panel Actuary in compliance with guidelines issued by IRDAI vide circular No. 11/IRDA/ACTL/IBNR/2005-06 dated June 8, 2005 and ALSM Regulation 2016 with applicable provisions of Actuarial Practice Standards 21 issued by the Institute of Actuaries of India. The Appointed/Panel Actuary uses generally accepted actuarial methods for each product category as considered appropriate depending upon the availability of past data.

IBNR reserves are provisions for claims that may have been incurred during the accounting period but have not been reported or claimed. The IBNR provision also includes provision, for claims that have been incurred but are not enough reported (IBNER). The provision for IBNR and IBNER is based on actuarial estimate duly certified by the Appointed/Panel Actuary of the Company.

Provision is made for estimated value of outstanding claims which have not been reported to the Company at the Balance Sheet date net of reinsurance, and other recoveries. Such provision is made on the basis of the ultimate amounts that are likely to be paid on each claim, established by the management in light of past experience and progressively modified for changes as appropriate, on availability of further information and include claim settlement costs likely to be incurred to settle outstanding claims.

(g) Allocation of Investment Income

Investment income earned on policyholders' investments funds at Balance Sheet date have been credited to Revenue Account and Investment income earned on shareholders' investments funds at balance sheet date have been credited to Profit & Loss Account.

Investment income which is not directly identifiable has been allocated on the basis of the ratio of directly attributable investment income earned on shareholders' investments funds and policyholders' investments funds.

Further, investment income across segments

within the Revenue account has also been allocated on the basis of segment-wise gross written premium.

(h) Investments

Investments are made and accounted for in accordance with the Insurance Act, 1938, Insurance Regulatory & Development Authority (Investment) Regulations, 2000 & 2016 as amended and various other circulars/notifications issued by the IRDA in this context from time to time.

Investments are recorded at cost including acquisition charges (such as brokerage, transfer charges, stamps etc) if any and exclude interest accrued up to the date of purchase.

Debt securities, including Government securities are considered as 'held to maturity' and accordingly stated at historical cost subject to amortisation of premium or accretion of discount on constant yield to maturity basis in the Revenue Account and in the Profit and Loss Account over the period of maturity/holding.

Investment that are earmarked, are allocated to policyholder's or shareholder's as applicable; balance investment are segregated at Shareholder's level and policyholder's level notionally based on Policyholder's fund and Shareholder's fund at the end of the year.

Listed and actively traded securities are stated at fair value as at the Balance Sheet date being the lowest of the last quoted closing price of the stock exchanges where the securities are listed. Unrealized gain/losses due to change in fair value of listed securities is credited/debited to 'Fair Value Change Account'.

Unlisted Securities are stated at cost.

The realized gain or loss on the listed and actively traded securities and mutual funds is the difference between the sale consideration and the carrying cost as on the date of sale, determined on a first in first out basis and includes the accumulated changes in the fair value previously taken to the fair value change account, in respect of the particular security; such loss or gain is transferred to Revenue account or/and Profit and Loss Account as applicable on the trade date.

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

The Company, at each balance sheet date, assesses investments for any impairment and necessary provisions are made for the same where required.

Investments in units of Mutual funds are valued at Net Asset Value (NAV) as at Balance Sheet date. Unrealized gains/losses are credited/debited to the 'Fair Value Change Account'.

Investments maturing within twelve months from the balance sheet date and investments made with specific intention to dispose off within twelve months are classified as Short Term Investments. Other Investments are classified as Long Term Investments.

(i) 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 policyholder's fund and shareholder's funds respectively basis on mutual fund mapped and not available for distribution as dividend.

As per the IRDAI circular dated January 12, 2017 fair value changes has been bifurcated between shareholder and policyholder.

(j) Fixed Assets and Depreciation

Tangible assets and depreciation

Fixed assets are stated at cost of acquisition (including incidental expenses relating to acquisition and installation of assets) and expenses directly attributable to bringing the asset to its working condition for its intended use, less accumulated depreciation and impairment of assets, if any.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013, except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under, based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset and past history of replacement.

Nature of Fixed Assets	Management Estimate of Useful Life in Years	Useful Life as per the limits prescribed in Schedule II of the Companies Act, 2013 in Years
Furniture & Fixture	5	10
Information Technology equipment - End User Devices	3	3
Information Technology equipment - Servers and Networks	4	6
Office Equipments	5	5
Intangibles (including Software)	4	NA
Leasehold Improvements	Lease period	NA

All assets including intangibles individually costing up to Rs 5,000 are fully depreciated/ amortized in the year in which they are acquired.

Intangibles

Intangible assets comprising software are stated at cost less amortisation. Significant expenditure on improvements to software are capitalised when it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably. Subsequent expenditures are amortised over the remaining useful life of original software. Software expenses are amortised using SLM over a period of four years from the date of being ready to use

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS**Capital work in progress**

Assets not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost and related incidental expenses.

Impairment of Assets

The carrying values of assets forming part of any cash generating units at Balance Sheet date are reviewed for impairment at each Balance Sheet date. If any indication for such impairment exists, the recoverable amounts of those assets are estimated and impairment loss is recognized, if the carrying amount of those assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the estimated future cash flows to their present value based on appropriate discount factor. If at the Balance Sheet date there is any indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that extent.

(k) Taxation

Income tax expense comprises current tax (i.e. amount of tax payable on the taxable income for the period determined in accordance with the Income-tax Act, 1961), and deferred tax charge or credit (reflecting the tax effects of timing differences between the accounting income and taxable income for the period). Current income tax is the amount expected to be paid to the tax authorities in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance sheet date. Deferred tax assets are recognized only to an extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. If the Company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realized against future taxable profits.

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain as the case may be that sufficient future tax assets can be realized.

(l) Employee Benefits

Employees' benefits have been recognized in accordance with the relevant provisions of the Accounting Standard 15 (revised 2005)

(a) Defined Contribution Plan.

The Company makes monthly contributions to the "Max India Limited Employees Provident Fund Trust" which is based on a specified percentage of the covered employees' salary. The fund is administered through trustees and the Company's contribution thereto is charged to Revenue Account or Profit and Loss Account as applicable.

(b) Defined Benefit Plans

- a. The liability in respect of Gratuity is provided for on the basis of an actuarial valuation carried out at the year-end using the Projected Unit Credit Method. Actuarial gain and loss are recognized in full in the Revenue Account or/and Profit and Loss Account as applicable for the year in which they occur. The Company has a recognized Trust for Gratuity benefits, "Max Bupa Health Insurance Ltd Employees' Group Gratuity Fund" to administer the Gratuity funds. The Trust has taken master policy with the Max Life Insurance Company Limited" to cover its liabilities towards employees' Gratuity. The Gratuity obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost and as reduced by the fair value of the gratuity fund.
- b. The liability in respect of long term accumulating leave encashment is provided for on the basis of actuarial valuation carried out at the

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

yearend for long term compensated absences using Projected Unit Credit Method. Actuarial gains and losses are recognized in full in the Revenue Account or/and Profit and Loss Account, as applicable for the year in which they occur. Short term compensated absences are provided for based on estimates. Non-accumulated compensated absences are accounted for as and when availed / encashed.

- c. Deferred compensation, which is a long term employee benefit, is provided for based on the independent actuarial valuation carried out as at the Balance Sheet date and charged to Revenue Account or Profit and Loss Account, as applicable based on services rendered by employees.

(c) Long term incentive plan

Employee benefit in form of long term incentive plan is another long term employee benefit. The cost of providing benefit under his 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.

(m) Provisions and Contingent Liabilities

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent assets and liabilities are not recognized.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is

a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

(n) Earnings per Share (EPS)

The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20 on 'Earnings per Share' issued by the Institute of Chartered Accountants of India. Basic earnings per share are computed by dividing the net Profit and Loss for the year by weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net Profit and Loss for the year by the weighted average number of equity shares outstanding during the year as adjusted to the effects of all dilutive potential equity shares, except where results are anti-dilutive.

(o) Leases

Lease of assets under which all the risks and benefits of ownership are effectively retained by the lessor is classified as Operating Leases. Operating Lease rentals including escalation are recognized in the Revenue account or/and Profit and Loss account, as the case may be, on a straight line basis over the period of the lease.

(p) Foreign Currency Transactions

Initial recognition: Foreign currency transactions are recorded in Indian Rupees, by applying to the foreign currency amount the exchange rate between the Indian Rupee and the foreign currency at the date of the transaction.

Conversion: Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange differences: Exchange differences

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

are recognised as income or as expenses in the period in which they arise.

(q) Allocation of Operating Expenses

The Company has Board approved policy for allocation and apportionment of expenses of management amongst various business segments as required by IRDAI (Expenses of Management of Insurers transacting General or Health Insurance Business) Regulations, 2016. The expenses are segregated between those which can be directly attributed to a particular business segment and those which cannot be so attributed. Operating expenses which are directly attributable to a particular business segment and identifiable as such are allocated directly to that segment. Operating expenses which are not directly identifiable to any business segment, but which are attached to specific functions are apportioned based on the most suitable lever for apportionment for respective functions. Operating expenses which are not attached to specific functions are apportioned based on the most logical available lever of apportionment.

(r) Rationale of Expenses allocation between Revenue Account and Profit & Loss Account

Expenses pertaining to Policyholders have been shown in Revenue Account as per the limit prescribed in Expenses of Management Regulations 2016 and excess over the limit has been debited in the Profit & Loss Account.

(s) Service Tax & GST

Service Tax & GST collected is considered as a liability against which Service Tax & GST paid for eligible inputs services or goods, to the extent claimable, is adjusted and the net liability is remitted to the appropriate authority as stipulated. Unutilized credits, if any, are carried forward for adjustment in subsequent periods. Service Tax & GST paid for eligible input services not recoverable by way of credits are recognized in the Revenue account as expense.

(t) Receipts and Payments Account

- (i) Receipts and Payments Account is prepared and reported as per AS-3 Cash flow statements using the Direct Method, in conformity with para 2.2 of the Master Circular on Preparation of Financial Statements - General Insurance Business dated October 5, 2012, issued by the IRDA.
- (ii) Cash and cash equivalents for the purpose of Statement of Receipts and Payments include cash and cheques in hand, deposits with banks, bank balances, liquid mutual funds and other short term investments with original maturity of three months or less which are subject to insignificant risk of changes in value.
- (iii) The components of Cash and Cash Equivalents are presented with reconciliation of the amounts in its Cash Flow Statement with the equivalent items reported in the Balance Sheet.

C. NOTES FORMING PART OF ACCOUNTS

1. Contingent Liabilities

(Rs. '000)		
Particulars	As at 31.03.2018	As at 31.03.2017
Partly Paid up Investments	-	-
Claims, other than those under Policies, not acknowledged as Debts by the Insurer	-	-
Underwriting Commitments Outstanding	-	-
Claims, under policies, not acknowledged as debts*	1,63,466	79,112**
Guarantees given by or on behalf of the Insurer	-	-
Statutory Demands / Liabilities in Dispute, Not provided for	-	-
Penalty raised by Income tax department against assessment of Income Tax Return filled for Financial Years 2012-13 and 2013-14, subject to appeal.	84,818	-
Reinsurance Obligations to the Extent Not provided for in Accounts	-	-
Total	2,48,284	79,112

* Includes compensation raised by policyholders against rejected claims

**Regrouped from Claims, other than those under Policies, not acknowledged as Debts by the Insurer to Claims, under policies, not acknowledged as debts.

2. Actuarial Assumptions

The Company's Panel Actuary has determined valuation assumptions in respect of 'Reserve for Unexpired Risk' and 'Claims Incurred But Not Reported' (IBNR) amounting to Rs. 37.41 crore (Previous year Rs. 36.08 crore) that conform with Regulations issued by the IRDAI and professional guidance notes issued by the Institute of Actuaries of India.

i.As at March 31, 2018, the Company has made a provision of Rs. 0.53 crore (Previous year Rs.1.07 crore) towards provider reconciliation reserve based on actuarial estimates and the same is included as a part of IBNR reserves.

ii.As at March 31, 2018, the Company has made a provision of Rs.16.22 crore (Previous year Rs.15.33 crore) towards litigation reserve based on actuarial estimates and the same is included as a part of IBNR reserves.

3. Encumbrances on Assets

The assets of the Company are free from all encumbrances. The Company has all assets within India.

4. Estimated Amount of Commitments made and Outstanding for:

(Rs. '000)		
Particulars	As at 31.03.2018	As at 31.03.2017
Loans	-	-
Investments	-	-
Fixed Assets (Net of advances)	81,076	57,667

5. Claims, less Reinsurance paid to Claimants are as under*:

(Rs. '000)				
Class of Business	In India		Outside India	
	Year Ended 31.03.2018	Year Ended 31.03.2017	Year Ended 31.03.2018	Year Ended 31.03.2017
Health	27,28,548	26,55,348	-	-
Personal Accident	11,039	380	-	-
Total	27,39,587	26,55,728	-	-

*Excluding claim handling expense

6. Age-wise Breakup of Claims Outstanding*:

(Rs. '000)				
Class of Business	Outstanding for more than six months		Outstanding for six months or less	
	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017
Health	6,010	15,080	1,35,756	1,54,033
Personal Accident	190	-	5,981	1,302
Total	6,200	15,080	1,41,737	1,55,335

*Excluding IBNR provision.

7. There are no claims settled and remaining unpaid for a period of more than six months.

8. Number of Claims intimated, disposed of and pending:

Particulars	As at 31.03.2018			As at 31.03.2017		
	Health	Personal Accident	Total	Health	Personal Accident	Total
Claims pending at the beginning	2,677	4	2,681	2,132	-	2,132
Claims intimated	83,320	126	83,446	72,442	17	72,459
Claims paid	76,296	21	76,317	64,869	2	64,871
Claims rejected	7,721	104	7,825	7,028	11	7,039
Claims pending at the closing	1,980	5	1,985	2,677	4	2,681

Ageing of Pending Claims

Particulars	As at 31.03.2018			As at 31.03.2017		
	Health	Personal Accident	Total	Health	Personal Accident	Total
30 days	1,853	3	1,856	2,416	3	2,419
30 days to 6 Months	126	1	127	212	1	213
6 months to 1 year	1	1	2	41	-	41
1 year to 5 years	-	-	-	8	-	8
5 years and above	-	-	-	-	-	-
Total	1,980	5	1,985	2,677	4	2,681

9. (a) Premium less Reinsurance Written During the Year:

(Rs. '000)				
Class of Business	In India		Outside India	
	Year ended 31.03.2018	Year ended 31.03.2017	Year ended 31.03.2018	Year ended 31.03.2017
Health	57,98,471	56,14,461	-	-
Personal Accident	78,879	24,700	-	-
Total	58,77,350	56,39,161	-	-

10. Extent of Risk Retained and Reinsured:

Extent of risk retained and reinsured with respect to gross written premium is set out below:

(Rs.'000)					
Class of Business	Gross Premium	Year Ended 31.03.2018			
		Risk Retained		Risk Reinsured	
		Amount	% age	Amount	% age
Health	74,32,655	57,98,471	78.01%	16,34,184	21.99%
Personal Accident	1,12,060	78,879	70.39%	33,181	29.61%

(Rs.'000)					
Class of Business	Gross Premium	Year Ended 31.03.2017 (Rs.'000)			
		Risk Retained		Risk Reinsured	
		Amount	% age	Amount	% age
Health	59,09,359	56,14,461	95.01%	2,94,898	4.99%
Personal Accident	29,979	24,700	82.39%	5,279	17.61%

11. As per IRDAI Master Circular on unclaimed amount of policyholders dated 25th July 2017.

Form A: Statement showing the Age-wise Analysis of the Unclaimed Amount of the Policyholders as on March 31, 2018

(Rs. in Lakhs)								
Particulars	Total Amount	Age-wise Analysis (in months)						
		0-6	7-12	13-18	19-24	25-30	31-36	36-120
Claims settled but not paid to the policyholders / beneficiaries due to any reasons except under litigation from the policyholders / beneficiaries.	1.73 (-)	1.73 (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Sum due to the policyholders / beneficiaries on maturity or otherwise	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Any Excess collection of the premium / tax or any other charges which is refundable to the policyholders / beneficiaries either as terms of conditions of the policy or as per law or as may be directed by the Authority but not refunded so far	0.63 (-)	0.63 (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Cheques issued but not encashed by the policyholder/ beneficiaries	215.10 (300.56)	85.31*# (148.41)	19.91* (11.48)	4.59* (7.42)	2.09* (7.44)	6.33* (12.48)	4.41* (19.85)	92.46* (93.48)

Figures in brackets are for previous year,

* These are stale cheques disclosed in 'Unclaimed amount of policyholders'/insured' in Schedule-13.

Include cheques issued amounting to Rs. 78.33 Lakhs (previous year Rs. 123.39 Lakhs) which are within the validity period but not yet presented for payment by the policyholders/insured.

Form C- Details of Unclaimed Amount with Investment Income

(Rs. '000)		
Particulars	Financial Year 2017-18	Financial Year 2016-17
Opening Balance	177.17	198.72
Add: Amount transferred to unclaimed amount	48.76	64.59
Add: Cheques issued out of the unclaimed amount but not encashed by the policyholders (only stale cheques)	-	-
Add: Investment Income on unclaimed fund	12.83	15.52
Less: Amount of claims paid during the year	82.92	101.66
Less: Amount transferred to SCWF(net of claims paid in respect of amount transferred earlier)	-	-
Closing Balance of Unclaimed Amount*	155.83	177.17

*Separate Fixed Deposits has been earmarked for payment of unclaimed amount of policyholder disclosed under head Schedule 12- Advances and Other Assets. This amount includes Interest on unclaimed amount of Policyholders amounting to Rs.19.07 Lakhs (previous year Rs.11.63 Lakhs).

12. Premium Deficiency Reserve

The Panel Actuary has reviewed the Unearned premium reserve (UPR) posted in the Financial statements against the estimated liability of the Company under unexpired obligations (including claim, claim related expenses and unexpired loyalty points) towards policyholders (URR) for all business segments. The UPR provided in the financials is sufficient to cover the URR at company level thus; no premium deficiency reserve has been created.

13. Investments

There are no contracts outstanding in relation to Purchases where deliveries are pending and Sales where payments are overdue respectively. All the investments are made in accordance with Insurance Act, 1938 and IRDAI (Investment) Regulations, 2016 and are performing assets. The Company does not have any investment in Real Estate as at March 31, 2018 or March 31, 2017.

14. Managerial Remuneration

The details of remuneration of MD & CEO as per the terms of appointment are as under:

(Rs. '000)		
Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Salaries & Allowances	39,945	33,750
Contribution to Provident and other funds	1,264	828
Perquisites	184	203
Total	41,393	34,781

Out of the above Rs. 15,000 thousand (previous year Rs. 15,000 thousand) remuneration for Managing Director has been charged to Revenue Accounts and balance has been transferred to Profit and Loss account. Expenses towards gratuity and leave encashment provisions are determined actuarially on an overall Company basis annually and accordingly have not been considered in the above information.

The details of remuneration of Key Management Persons as per guidelines issued by IRDAI vide Ref. no. IRDA/F&A/GDL/CG/100/05/2016 dated May 18, 2016 and as per the terms of appointment of Company are as under:

(Rs. '000)		
Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Salaries & Allowances	1,11,621	80,971
Contribution to Provident and other funds	4,499	3,497
Perquisites	544	306
Total	1,16,664	84,774

Expenses towards gratuity and leave encashment provisions are determined actuarially on an overall Company basis annually and accordingly have not been considered in the above information.

15. Expenditure in Foreign Currency

(Rs. '000)		
Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Software License Fees	22,727	24,798
Travelling	850	728
Sitting Fees	1,699	1,600
Membership and Subscription	531	666
Total	25,807	27,792

16. Operating Lease Commitments

The Company has taken on lease office premises under various agreements with various expiration dates extending up to nine years. Lease payments made under operating lease agreements have been fully recognized in the books of accounts. The lease rental charged under operating leases during the current year and maximum obligation on such leases at the balance sheet date are as follows:

(Rs. '000)		
Particulars	As at 31.03.2018	As at 31.03.2017
Payable not later than one year	83,720	87,899
Payable later than one year and not later than five years	2,29,899	2,80,679
Payable later than five years	10,486	36,990
Total	3,24,105	4,05,568

Aggregate lease rentals charged to Revenue Accounts is Rs. **91,195** thousand (previous year Rs. 86,289 thousand) and there are no sub leases.

17. Foreign Currency Exposures

Foreign currency exposures which are not hedged as at the Balance Sheet date are:

(Rs. '000)		
Particulars	As at 31.03.2018	As at 31.03.2017
Payable in USD	200	-
Payable in GBP	493	243

18. Related Parties & Transactions:

- (i) As per the Accounting Standard (AS) 18 on 'Related Party Disclosures', the related parties of the Company are as follows:

SN	Description of Relationship	Name of Party
(a)	Holding Company	Max India Limited
(b)	Fellow Subsidiaries	Antara Senior Living Limited Antara Gurgaon Senior Living Limited Antara Purukul Senior Living Limited Max Ateev Limited Max UK Limited, UK Max Skill First Limited Max One Distribution and Services Limited Pharmax Corporation Limited
(c)	Significant Influence	Bupa Singapore Holdings Pte Limited
(d)	Key Management Personnel (KMP)	Mr. Ashish Mehrotra, Managing Director and CEO Mr. Rahul Ahuja, Chief Financial Officer Mr. Rajat Sharma, Company Secretary

- (ii) Details of transaction with related parties for the year ended March 31, 2018 are given below:

(Rs. '000)					
S. No.	Transactions	Name of the Related Party	Description	For the year ended 31.03.2018	For the year ended 31.03.2017
1	Legal & Professional Charges	Max India Limited	Holding company	1,05,525	-
2	Legal & Professional Charges	Max One Distribution And Services Ltd	Fellow Subsidiaries	-	424
3	Training Expenses	Max Skill First Limited	Fellow Subsidiaries	59,196	50,800

(Rs. '000)					
S. No.	Transactions	Name of the Related Party	Description	For the year ended 31.03.2018	For the year ended 31.03.2017
4	Other expenses	Max Skill First Limited	Fellow Subsidiaries	-	650
5	Reimbursement of expenses	Bupa Singapore Holdings Pte Limited	Significant Influence	-	184
6	Employee's Remuneration	Mr. Ashish Mehrotra, MD & CEO Mr. Rahul Ahuja, CFO Mr. Rajat Sharma, CS	Key Management Personnel	72,849	62,637
8	Issuance of Share capital	Max India Limited	Holding company	-	1,42,800
9	Issuance of Share capital	Bupa Singapore Holdings Pte Limited	Significant Influence	-	1,37,200

(iii) Details of outstanding balances with related parties as at ended March 31, 2018 are given below:

(Rs. '000)					
S. No.	Outstanding Balances	Name of the Related Party	Description	As at 31.03.2018	As at 31.03.2017
1	Other payables	Max India Limited	Holding company	24,300	-
2	Other receivables/ (payables)	Max Skill First Limited	Fellow Subsidiaries	300	(16,996)

19. Segment Information

a) Business Segments

The Company's primary reportable segments are identified in accordance with the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002. Segment revenue and segment results have been incorporated in the financial statements.

(Rs. '000')				
Year ended 31.03.2018				
Particulars	Health	Personal Accident	Unallocated	Total
Segmental Revenue	57,03,424	55,118	2,99,474	60,58,016
Segmental Result	(2,51,712)	(23,821)	13,77,187	11,01,654
Segmental Liabilities	35,01,965	12,086	21,34,816	56,48,867
Segmental Assets	43,900	-	81,64,476	82,08,376

(Rs. '000')				
Year ended 31.03.2017				
Particulars	Health	Personal Accident	Unallocated	Total
Segmental Revenue	54,32,531	10,280	3,36,945	57,79,756
Segmental Result	(5,28,198)	(13,701)	13,92,628	8,50,729
Segmental Liabilities	33,65,949	23,443	15,37,558	49,26,950
Segmental Assets	50,500	-	72,09,123	72,59,623

b) Geographical Segment

Since the Company's entire business is conducted within India, there is no reportable Geographical Segmentation for the year.

20. Employee Benefits

A. Defined Contribution Plans – Provident Fund

During the year the Company has recognized the following amounts in the Revenue and/or Profit and Loss Account:

	(Rs. '000)	
Provident Fund	Year Ended 31.03.2018	Year Ended 31.03.2017
Employers Contribution to Provident Fund	45,853	38,214

B. Defined Benefit Plans – Gratuity

The gratuity liability arises on retirement, withdrawal, resignation or death of an employee. The aforesaid liability is calculated on the basis of actuarial valuation as per the projected unit credit method. The Gratuity plan has been funded through a policy taken from Max Life Insurance Company Limited. Disclosure as per AS-15 (Revised) on 'Employee Benefits' is as under:

i. Assumptions Used:

Particulars	As at 31.03.2018	As at 31.03.2017
Mortality	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Interest/Discount Rate (Per Annum)	6.95% p.a.	6.70% p.a.
Rate of increase in compensation	7.00% p.a.	7.00% p.a.
Withdrawal rate:	40% for frontline staff and 20% for other staff	40% for frontline staff and 20% for other staff

ii. Changes in Present value of benefit obligation during the year:

	(Rs. '000)	
Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
Present value of obligations at the beginning of the year	36,685	27,312
Current Service Cost	8,904	7,200
Interest cost	2,328	1,806
Benefits Paid	(3,867)	(4,779)
Actuarial loss/(gain) on obligation	2,614	5,146
Acquisition/Business Combination/Divestiture	-	-
Present value of obligations at end of year	46,664	36,685

iii. Change in Fair Value of Plan Assets during the year:

	(Rs. '000)	
Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
Fair Value of Plan Assets at beginning of year	27,671	17,335
Contributions	9,014	10,481
Expected Return on Plan Assets	2,026	1,464
Actuarial gain/(loss) on obligation	(292)	3,170
Benefits Paid	(3,867)	(4,779)
Fair Value of Plan Assets at end of year	34,552	27,671

iv. Amounts recognized in Revenue or/and Profit & Loss Account:

(Rs. '000)		
Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
Current Service Cost	8,904	7,200
Interest Cost	2,328	1,806
Expected Return on Plan Assets	(2026)	(1,463)
Actuarial (Gain)/loss on obligation	2,906	1,975
Amount recognized in Revenue or/and Profit & Loss Account	12,112	9,518

v. Amounts recognized in Balance Sheet:

(Rs. '000)		
Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
Present value of obligations at end of Year	46,664	36,685
Fair Value of Plan Assets at end of Year	34,552	27,671
Funded Status (Deficit)/Surplus	(12,112)	(9,014)
Net Asset/(Liability) recognized in the balance sheet*	(12,112)	(9,014)

* The DBO as on 31 March, 2018 includes unsettled gratuity benefit payment.

vi. Balance Sheet Reconciliation:

(Rs. '000)		
Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
Opening Net Liability/(Asset)	9,014	9,977
Expenses recognized in Profit & Loss Account	12,112	9,518
Contribution Paid	(9014)	(10,481)
Acquisition/Business Combination/Divestiture	-	-
Closing Net Liability/(Asset)	12,112	9,014

As the Gratuity Fund is managed by Max Life Insurance Company Limited, details of investments are not available with the Company.

C. Accrued Leave:

The Company has recognized liability towards cost of accumulating compensated absences. Disclosure as per AS-15 (Revised) on 'Employee Benefits' is as under:

i. Assumptions Used:

Particulars	As at 31.03.2018	As at 31.03.2017
Mortality	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Interest/Discount Rate (Per Annum)	6.95% p.a.	6.70% p.a.
Rate of increase in compensation	7.00% p.a.	7.00% p.a.
Withdrawal rate:	40% for frontline staff and 20% for other staff	40% for frontline staff and 20% for other staff

ii. Changes in Present value of benefit obligation during the year:

(Rs. '000)		
Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
Defined Benefit Obligation, Beginning of year	25,477	25,415
Current Service Cost	9,639	10,858
Interest Cost	1,475	1,476
Actual Plan Participants' Contributions	-	-
Actuarial (Gains)/Losses	(5,051)	(2,153)
Acquisition/Business Combination/Divestiture	-	-
Actual Benefits Paid	(6,911)	(10,119)
Past Service Cost	-	-
Changes in Foreign Currency Exchange Rates	-	-
Loss / (Gains) on Curtailments	-	-
Liabilities Extinguished on Settlements	-	-
Defined Benefit Obligation at end of year	24,629	25,477

iii. Change in Fair Value of Plan Assets during the year:

(Rs. '000)		
Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
Fair Value of Plan Assets at beginning of year	-	-
Expected Return on Plan Assets	-	-
Actual Enterprise's Contributions	-	-
Actual Plan Participants' Contributions	-	-
Actual Benefits Paid	-	-
Actuarial Gains/(Losses)	-	-
Acquisition/Business Combination/Divestiture	-	-
Changes in Foreign Currency Exchange Rates	-	-
Liabilities Extinguished on Settlements	-	-
Fair Value of Plan Assets at end of year	-	-

iv. Amounts recognized in Revenue or/and Profit & Loss Account:

(Rs. '000)		
Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
Current Service Cost	9,639	10,858
Interest Cost	1,475	1,476
Expected Return on Plan Assets	-	-
Net Actuarial (Gain)/loss	(5,050)	(2,153)
Amount recognized in Revenue or/and Profit & Loss Account	6,064	10,181

v. Amounts recognized in Balance Sheet:

(Rs. '000)		
Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
Defined benefit obligations (DBO)	24,629	25,477
Fair Value of Plan Assets at end of Year	-	-
Funded Status (Deficit)/Surplus	24,629	25,477
Unrecognized Past Service Cost / (Credit)	-	-
Unrecognised Asset due to Limit in Para 59(B)	-	-
Net Asset/(Liability) recognized in the balance sheet	24,629	25,477

vi. Balance Sheet Reconciliation:

(Rs. '000)		
Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
Opening Net Liability/(Asset)	25,477	25,415
Expenses recognized in Revenue or/and Profit & Loss Account	6,064	10,180
Actual Benefits Paid	(6,911)	(10,118)
Acquisition/Business Combination/Divestiture	-	-
Closing Net Liability/(Asset)	24,629	25,477

D. Long term Incentive Benefits

The Company has schemes for Long Term Performance incentive plan & Guaranteed Payout plan. The Company has determined the liability on the basis of Actuarial valuation as under:

Amounts recognized in Balance Sheet:

(Rs. '000)		
Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
Defined benefit obligations (DBO)	1,95,753	1,42,394
Fair Value of Plan Assets at end of Year	-	-
Net Asset/(Liability) recognized in the balance sheet	1,95,753	1,42,394

21. Earnings Per Share

Basic earnings per equity share have been computed by dividing net profit (loss) after tax by the weighted average number of equity shares outstanding for the year.

Particulars	Units	Year ended 31.03.2018	Year ended 31.03.2017
a. Profit/(loss) available to equity shareholder's	Rs in '000s	2,28,398	(36,766)
b. Weighted average of number of equity shares used in computing basic earnings per share	No. of shares in '000s	9,26,000	9,13,803
c. Diluted Weighted average of number of equity shares used in computing diluted earnings per share	No. of shares in '000s	9,26,000	9,26,000
d. Nominal Value per share	in Rs.	10	10
e. Basic earnings per share (a/b)	in Rs	0.25	(0.04)
f. Diluted earnings per share (a/c)	in Rs	0.25	(0.04)

22. Disclosures on other work given to Auditor's

Pursuant to clause 7.1 (g) of Corporate Governance Guidelines issued by IRDAI on May 18, 2016 the services of the statutory auditors are disclosed below:

(Rs. '000)			
Name of the Auditor	Services Rendered	For the Year ended 31.03.2018	For the Year ended 31.03.2017
Nangia & Co. LLP	Tax Audit fees	150	80
	Certification Fees	150	-
	Transfer Pricing Assessment	-	175
	Tax Consultancy	25	-
M.P. Chitale & Co.	-	-	-
S.R.Batliboi & Co.LLP	Certification Fees (up to June 2016)	-	83

23. In pursuant to Circular 067 dated 28th March, 2008 issued by IRDAI, following operating expenses are separately disclosed:

Particulars	(Rs. '000)	
	Year ended 31.03.2018	Year ended 31.03.2017
Outsourcing Expenses*	4,99,412	13,52,568
Marketing Support	4,18,070	4,05,072
Business Development	2,682	3,435

*Outsourcing expenses have been calculated basis on the Outsourcing guidelines issued by IRDAI.

24. Expenses of Management

The Company had received exemption from IRDA under the provisions of Sec 40 c (1) of the Insurance Act, 1938 read with rule 17 E of the Insurance Rules, 1939. The Exemption was valid for a period of 5 financial years starting from financial year 2010-11 to 2014-15. The company had filed with IRDA for forbearance for exceeding the expenses of management over the allowable limit for 2015-16 along with a convergence plan. As per Circular no. IRDAI/Reg./12/124/2016, The Company has transferred Rs. 107.77 cr for the financial year 2017-18 from Revenue Account to Profit and Loss account which is in the excess of expenses of management over the allowable limit.

25. Sector Wise Business

Disclosure as per Schedule B Part II Point c (3) of the Insurance Regulatory and Development Authority of India (preparation of financial statements and auditor's report of insurance companies) regulations, 2002.

The total Gross Written Premium for the financial year is Rs.75,44,715 thousands (Previous year Rs.59,39,337 thousands), out of which the bifurcation of Rural and social sector business is as under:

Business Sector	Year ended 31.03.2018			Year ended 31.03.2017		
	GDPI(Rs.'000s)	No of Policy	% of Policy	GDPI (Rs.'000s)	No of Policy	% of Policy
Rural	3,96,326	26,469	0.97%	3,66,305	23,548	0.98%
Social	4,582	2	0.00%	8,022	-	0.00%

The above is compiled on basis of numbers reported to IRDAI.

Social Sector	Year ended 31.03.2018	Year ended 31.03.2017
Number of lives	97,675	1,97,268

Disclosure as per Insurance Regulatory and Development Authority of India (Obligations of Insurers to Rural and Social Sectors) Regulations, 2015 is as under:

Rural Sector

Gross Premium for the year (Rs.'000s)	Amount of Premium procured in Rural Sector (Rs.'000s)	Rural Sector Premium as % to Column (1)	Required % as per the above Regulations	Compliance with the above Regulations
75,44,715	3,96,326	5.25%	3.00%	Yes

Social Sector

Total Business (lives) in the Preceding Financial Year	Number of Lives covered under Social Sector in the Financial Year 2017-18	Social Sector Lives as % to the Column (1)	Required % as per the above Regulations	Compliance with the above Regulations
24,00,283	97,675	4.07%	4.00%	Yes

26. Micro Small and Medium Enterprises

There is no Micro, Small and Medium Enterprise to which the Company owes dues, which are outstanding for more than 45 days during the year ended March 31, 2018 and March 31, 2017. 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.

27. Penal Actions Details by Various Government Authorities

IRDAI circular no 005/IRDAI/F&A/CIR/MAY-09 requires disclosure as per given format in respect of penal actions taken by various Government Authorities.

SN	Authority	Non-Compliance/ Violation	Amount in Rs. Lakhs		
			Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority	-	-	-	-
2	Service Tax & Goods and service Tax Authorities	-	-	-	-
3	Income Tax Authorities	-	-	-	-
4	Any Other Tax Authorities	-	-	-	-
5	Enforcement Directorate / Adjudicating Authority / Tribunal or any Authority under FEMA	-	-	-	-
6	Registrar of Companies/ NCLT/ CLB/ Department of Corporate Affairs or any Authority under Companies Act, 2013.	-	-	-	-
7	Penalty awarded by any Court/ tribunal for any matter including claim settlement but excluding Compensation	-	-	-	-
8	Securities and Exchange Board of India	-	-	-	-
9	Competition Commission of India	-	-	-	-
10	Any other Central/State/local Government/ Statutory Authority	-	-	-	-

Bracket shows numbers related to previous year

28. Summary of Financial Statements is provided as under:

		(Rs in Lakhs)				
SN	Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
OPERATING RESULTS						
1	Gross Direct Premiums	75,447	59,393	47,601	37,266	30,885
2	Net Premium Income (net of reinsurance)	58,774	56,392	45,155	35,344	29,621
3	Income from Investments (net)	2,995	3,369	2,548	1,795	1,407
4	Other Income	-	-	-	-	-
5	Total Income	61,768	59,761	47,703	37,139	31,028
6	Commission (Net) including brokerage	2,267	5,897	4,480	3,220	2,788
7	Operating Expenses (net of EOM impact)*	18,394	15,116	22,123	22,437	22,767
8	Net incurred claims	28,902	28,277	23,402	18,220	14,040
9	Premium Deficiency	-	-	-	(57)	57
10	Change in unexpired risk reserve	1,188	1,964	5,844	3,820	5,855
11	Operating Profit/(Loss)*	11,017	8,507	(8,147)	(10,501)	(14,478)

						(Rs in Lakhs)
SN	Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
NON OPERATING RESULTS						
12	Total income under shareholder's account (net of expenses)	(8,733)	(8,875)	1,297	1,170	1,191
13	Profit /(loss) before tax	2,284	(368)	(6,850)	(9,331)	(13,287)
14	Provision for Tax	-	-	-	-	-
15	Profit/(Loss) after tax	2,284	(368)	(6,850)	(9,331)	(13,287)
MISCELLANEOUS						
16	Policyholder's Account:					
	a) Total funds	36,573	34,901	Not applicable being General Insurance Company		
	b) Total Investments	36,573	34,901			
17	Shareholder's Account					
	a) Total funds	30,006	27,863	Not applicable being General Insurance Company		
	b) Total Investments	30,006	27,863			
18	Paid Up Equity Capital	92,600	92,600	89,800	79,050	66,900
19	Net Worth	25,584	23,300	20,868	16,968	14,210
20	Total Assets	82,084	72,596	64,512	50,887	42,420
21	Yield on total investments	7.90%	8.20%	8.60%	9.10%	8.80%
22	Earnings Per Share (Rs.)**	0.25	(0.04)	(0.82)	(1.28)	(2.29)
23	Book value per Share (Rs.)	10	10	10	10	10
24	Total Dividend	-	-	-	-	-
25	Dividend Per share (Rs.)	-	-	-	-	-

*A sum of Rs. 10,777.13 Lakhs which is in the excess of expenses of management over the allowable limit has been transferred from Revenue Account to Profit and Loss account in accordance with the circular no. IRDAI/Reg./12/124/2016.

**This represents Basic Earnings per share and Diluted earning per share. Weighted average of number of equity shares i.e. 9,260 Lakhs (Previous year 9,138 Lakhs) is used in computing Earnings per share

29. Accounting Ratios** is provided as under:

Performance Ratios	2017-18	2016-17	2015-16	2014-15	2013-14
Gross Direct Premium Growth Rate (Overall)	27%	25%	28%	21%	49%
Gross Direct Premium Growth Rate (Health)	26%	24%	28%	21%	48%
Gross Direct Premium Growth Rate (Personal Accident)	274%	556%	-24%	-55%	-
Gross Direct Premium to Net Worth Ratio	2.95 times	2.55 times	2.28 times	2.20 times	2.17 times
Growth Rate of Net Worth	10%	12%	23%	19%	21%
Net Retention Ratio (Overall)	78%	95%	95%	95%	95%
Net Retention Ratio (Health)	78%	95%	95%	95%	95%
Net Retention Ratio (Personal Accident)	70%	82%	60%	69%	78%
Net Commission Ratio (Overall)	4%	10%	10%	9%	9%
Net Commission Ratio (Health)	4%	10%	10%	9%	9%
Net Commission Ratio (Personal Accident)	8%	13%	-	-	10%
Expenses of Management to Gross Direct Premium Ratio	50%	54%	57%	66%	74%
Expenses of Management to Net written Premium Ratio	64%	57%	60%	76%	87%
Net incurred claims to Net earned premium	50%	52%	60%	58%	59%
Combined Ratio	104%	108%	118%	130%	145%
Technical Reserves to Net Premium Ratio	0.60 times	0.59 times	0.69 times	0.68 times	0.67 times
Underwriting Balance Ratios	(0.05) times	(0.10) times	(0.27) times	(0.33) times	(0.61) times
Operating Profit Ratio	0.42%	-4%	-21%	-28%	-56%

Performance Ratios	2017-18	2016-17	2015-16	2014-15	2013-14
Liquid Assets to Liability Ratio	0.75 times	0.71 times	0.70 times	1.83 times	1.76 times
Net Earnings Ratio	4%	-1%	-15%	-26%	-45%
Return on Net Worth Ratio	9%	-2%	-33%	-55%	-93%
Reinsurance Ratio	22%	5%	5%	5%	4%
Available Solvency margin Ratio to Required Solvency Margin Ratio (times)*	2.11	2.01	2.16	2.10	2.13
NPA Ratio	NA	NA	NA	NA	NA

*Required Solvency Margin Ratio (times) is 1.50.

**Calculated as per IRDAI Master Circular on Preparation of Financial Statements 2012.

30. Corporate Social Responsibility

The Company is not required to constitute a CSR Committee as the Company does not fulfill the Conditions given under Section 135 of the Companies Act, 2013

31. Provision for Free Look period

The provision for Free Look period is Rs. 943 thousand (previous year Rs.1229 thousand), as certified by the Panel Actuary.

32. Pending Litigations

The Company's pending litigations comprise of claims against the Company primarily by the customers and proceedings pending with Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial results at March 31, 2018. Refer note 1 for details on contingent liabilities.

33. Risk Management Architecture

The Board and other stakeholders of Max Bupa get assurance on risk management processes and its effectiveness from external audit, internal audit, risk management, compliance and fraud investigation function. The Company's risk management framework comprises of the following elements:

- Risk Strategy and Appetite (including Risk Policy framework and Governance structure)
- Strategic Risk Assessment (Business Plan)
- Risk Categorization
- Risk Registers
- Risk Control and Assurance
- Risk Reporting
- Risk Management design and effectiveness review

Risk Management roles and responsibilities:

To improve coordination and eliminate duplication, Max Bupa has adopted 'Three Line of Defence model. The model defines clear set of responsibilities for each group of risk and control professionals.

- First Line: Involved in day to day risk management, in accordance with agreed risk policies, appetite and controls, at the operational level. This role is performed by Functional Heads and Process owners.
- Second Line: Responsible for risk oversight, risk guidance and risk reporting. This role is performed by Risk Management team, Compliance & Fraud Investigation team.
- Third Line: Independent assurance to the Board and Senior Management of the effectiveness of risk management processes. This role is performed by Internal and External Auditors.

A Risk Management team headed by Chief Risk Officer is in place to support for and challenge on the completeness and accuracy of risk identification, measurement, management, monitoring and reporting, and adequacy of, and progress against, mitigation plans.

Risk Appetite Statements:

To help define the level of risk that Max Bupa is willing to take, a set of Risk Appetite Statements have been defined which state in both quantitative and qualitative terms the Max Bupa Board's desired risk profile. The statements are reviewed and approved annually by the Board. The risk appetite statements are aligned with risk strategy and the Business Plan approved by the Board.

Status update against the defined risk appetites are monitored and reported to the Risk Committee on a quarterly basis.

Strategic Risk Assessment:

Max Bupa identifies the need for explicitly considering risk in the strategic and planning process. For this purpose, a strategic risk assessment process has been documented which will ensure that while developing business plans and/ or implementing major change initiatives, the business should include a "challenge phase", where the business including the risk team consider the impact of planned changes on the existing and future risk profile and the control environment.

Risk Identification and Assessment process:

Max Bupa has categorized risk into six (6) broad Level 1 categories – Strategic risk, Insurance risk, financial risk, Operational risk, Regulatory risk and Reputational risk. Each of such 6 categories is further broken down into 24 Level 2 sub risk categories. These risk categories are observed throughout the risk management journey.

Company has documented functional risk registers to identify and assess inherent risks against such risk categories. Each identified risk is mapped to existing controls to mitigate such risk. After identification of existing (As is) controls, functional heads along with their teams assess the risk based on their impact and likelihood using the laid down parameters. Remediation actions are identified for control gaps, if any.

A consolidated risk register against the defined risk categories is prepared on a quarterly basis to include key risks for the quarter. A Management Risk Committee chaired by the CEO and attended by Senior Leadership Team reviews the risks in their respective domains on a quarterly basis and updates the consolidated register. CRO along with the Risk Management Team overviews and challenges the entire process of risk identification and rating.

Risk Reporting:

Status update on the remedial actions identified against the risks captured in the consolidated risk register is reported to Risk Committee on quarterly basis along with the Key Risk Summary and the Organizational Risk Heat Map.

The company has compiled the data for the purpose of disclosure in Note No. 33 from its risk management framework and policies and has been furnished by the management, which has been relied upon by the auditors.

34. Statement containing names, descriptions, occupations of and directorships held by the persons in charge of management of the business under section 11 (3) of Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015)

Name of person in-charge	Ashish Mehrotra
Designation of person in-charge	Managing Director and Chief Executive Officer
Occupation of person in-charge	Service
Directorships held by the person In-charge during the year or at March 31, 2018	Max Bupa Health Insurance Company Limited

35. Comparative Figures

Previous year figures have been regrouped/reclassified in the respective schedule and notes, wherever considered necessary, to conform to current year's classification. The details of changes are as under:

(Rs. '000)				
Previous Year Statement/Schedule number, Line Item & Description	Amount Regrouped	Current Year Statement/Schedule number, Line Item & Description	Amount Regrouped	Reason for Change
Schedule 2 Claims Net Less: Re-insurance Ceded	400	Schedule 4 Operating expenses- Legal and Professional Charges	400	Claim investigation charges inadvertently grouped under Claims Less Reinsurance ceded in the previous year shown under correct heading
Schedule 4-Operating expenses –Others- Miscellaneous expenses-	3,715	Schedule 4-Operating expenses –Others- Sundry Balances Written off	1,412	As per Master circular, Items of expenses and income in excess of one per cent of the total premiums (less reinsurance) or Rs. 5 lakh whichever is higher is required to be shown as a separate line item.
		Schedule 4-Operating expenses –Others- Board meeting expenses	2,303	

As per our Audit report of even date attached.

For and on behalf of the Board of Directors

Max Bupa Health Insurance Company Limited

For Nangia & Co LLP

Chartered Accountants

Vikas Gupta
Partner

Membership No. 076879
Place: Noida

Director
K. Narasimha Murthy
DIN: 00023046

Chairman & Director
Rajesh Sud
DIN: 02395182

For M P Chitale & Co.
Chartered Accountants

Company Secretary
Rajat Sharma
Mem No. FCS7069

CEO & Managing Director
Ashish Mehrotra
DIN: 07277318

Murtuza Vajihi
Partner
Place: Mumbai

Panel Actuary
Hema Malini Ramakrishnan
Membership No.74

Chief Financial Officer
Rahul Ahuja

Date: May 22, 2018

Date: May 22, 2018

MANAGEMENT REPORT

In accordance with Part IV Schedule B of the Insurance Regulatory and Development Authority (IRDAI) (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the Regulation) the following Management Report for the year ended March 31, 2018 is submitted:

1. The Company obtained Regulatory approval to undertake Health & Personal Accident Insurance business on 15th Feb 2010 from the Insurance Regulatory and development Authority of India ('IRDAI') and holds a valid certificate of registration.
2. We certify that all the dues payable to the statutory authorities have been duly paid except a proportion of Pension amount for those employees whose Aadhaar could not be linked in PF UAN account despite making repeated attempts.
3. We confirm that the shareholding pattern and transfer of shares are in accordance with the statutory and regulatory requirements.
4. The management has not directly or indirectly invested outside India the funds of the holders of policies issued in India.
5. The Company is maintaining the required solvency margins under the Insurance Act, 1938.
6. We certify that the values of all the assets have been reviewed on the date of Balance Sheet and in management's belief, the assets set forth in the Balance sheet are shown in aggregate at amounts not exceeding their realizable or market value under the heading – "Loans", "Investments" (wherever applicable), "Agents Balances", "Outstanding Premiums", "Interest, Dividend and Rents Outstanding", "Interest, Dividends and Rents accruing but not due", "Amounts due from other persons or Bodies carrying on insurance business", "Sundry Debtors", "Bills Receivable", "Cash" and several items specified under "other Accounts".
7. The Investment Risk is managed by creating a portfolio of different asset classes and of varied maturities so as to spread the risk across a wide category of Investee companies in line with regulatory requirements. The Company has constituted an Investment Committee, which acts as the policy making body for the Investment operations. The Investment Committee lays down various internal policies and norms governing the functioning of the Investment Department. The Investment Committee periodically discusses the Investment strategy, portfolio structures, performance of the portfolio and related issues. The Investment policy is reviewed semi annually in order to align the same with the Company business plans.
8. We confirm that there were no operations of the Company outside India during the year ended March 31, 2018.
9. Ageing analysis of claims outstanding (excluding provision for IBNR / IBNER and claims relating to inward re-insurance) is as under:

Particulars	FY 2017-18		FY 2016-17		FY 2015-16		FY 2014-15		FY 2013-14	
	No of claims	Amount involved (in Lakhs)	No of claims	Amount involved (in Lakhs)	No of claims	Amount involved (in Lakhs)	No of claims	Amount involved (in Lakhs)	No of claims	Amount involved (in Lakhs)
30 days	1,856	1,732*	2,419	1,475	1,843	1,248	2,737	1,984	2,231	776
30 days to 6 Months	127	220	213	208	284	226	192	161	1,329	328
6 months to 1 year	2	2	41	48	4	31	-	-	-	-
1 year to 5 years	-	-	8	65	1	1	-	-	-	-
5 years and above	-	-	-	-	-	-	-	-	-	-

*includes claim reserve for pre-auth given.

Average claims settlement time during the preceding five years is as under:

Line of Business	FY 2017-18		FY 2016-17		FY 2015-16		FY 2014-15		FY 2013-14	
	No of claims Settled	Average Settlement Time (Days)	No of claims Settled	Average Settlement Time (Days)	No of claims Settled	Average Settlement Time (Days)	No of claims Settled	Average Settlement Time (Days)	No of claims Settled	Average Settlement Time (Days)
Health	70,723	17 Days	57,588	18 Days	47,687	22 Days	40,889	16 Days	33,309	24 Days
Personal Accident	10	11 Days	2	7 Days	9	10 Days	20	18 Days	1	13 Days

10. As at March 31, 2018, the investments of the Company are mainly in Government Securities, Debt Securities including corporate bonds & Commercial Papers, Bank Deposits and Mutual Funds. As per the IRDA guidelines, all Debt securities are considered as held to maturity and valued at historical cost subject to amortization of premium/discount. Further, the market value for debt securities as at 31st March, 2018 has been calculated as per guidelines issued by SEBI approved rating agency (CRISIL).

Mutual funds Investments are stated at fair value, being the closing net assets value as at balance sheet date.

Acquisition cost of Debt Securities is Rs. 58,09,500 thousands (Previous year Rs. 49,28,164 thousands), amortized value is Rs. 58,10,276 thousands (Previous year Rs. 49,32,785 thousands) and market value at Rs. 58,40,223 thousands (Previous year Rs. 50,81,659 thousands).

11. Investments are in accordance with the Insurance Act, 1938 and Insurance Regulatory & Development Authority (Investment) Regulations, 2000 and subsequent amendments. Investment Portfolio consists of Central and State Government Securities, Infrastructure Bonds (AAA and AA+), Housing Sector Bonds (AAA), Corporate Bonds (AAA and AA+), Commercial Papers with A1+/P1+/PR1+ ratings, Liquid Mutual Funds and Deposits with various Scheduled Banks. There is no Non Performing Asset as at March 31, 2018.
12. We also confirm:
- That the Financial Statements have been prepared in accordance with generally accepted accounting principles and policies, applicable accounting standards and current practices prevailing in the insurance industry and there are no material departures.
 - That the management has adopted accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the operating Profit or Loss and of the profit or loss of the company for the year.
 - That the management has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act 1938 and Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
 - That the management has prepared the financial statements on a going concern basis.
 - That there is an internal audit system commensurate with the size and nature of the business exists and is operating effectively.

13. Payments made to 'companies and organizations in which Directors are interested' are as under:

S. No.	Name of the Director	Entity in which director is interested	Interested as	Payment made during FY 2017-18 (Rs. In Lakhs)
1	Mr. Rajesh Sud	Max Life Insurance Company Limited	Managing Director & Vice Chairman	40.62
		Max Skill First Limited	Director and Chairman	764.92
2	Mr. Dinesh Kumar Mittal	Bharti Airtel Limited	Director	124.76
		Max Life Insurance Company Limited	Director	40.62
		Max Financial Services Limited	Director	21.93
		Max India Limited	Director	812.25
3	Ms. Marielle Theron	Max Life Insurance Company Limited	Director	40.62
		Max India Limited	Business Advisor	812.25
		Max Skill First Limited	Director	764.92
4	Mr. Mohit Talwar	Max Financial Services Limited	Managing Director	21.93
		Max India Limited	Managing Director	812.25
		Max Healthcare Institute Limited	Director	699.38
		Max Life Insurance Company Limited	Director	40.62
5	Mr. John Lorimer	Bupa (Asia) Limited	Director	23.88
6	Mr. K. Narasimha Murthy	Max Healthcare Institute Limited	Director	699.38
		Max Life Insurance Company Limited	Director	40.62
7	Mr. Rahul Khosla	Max Life Insurance Company Limited	Chairman	40.62
		Max Healthcare Institute Limited	Chairman	699.38
		Max India Limited	Chairman	812.25

For and on behalf of the Board of Directors

Max Bupa Health Insurance Company Limited

Director

K. Narasimha Murthy

DIN – 00023046

CEO & Managing Director

Ashish Mehrotra

DIN – 07277318

Company Secretary

Rajat Sharma

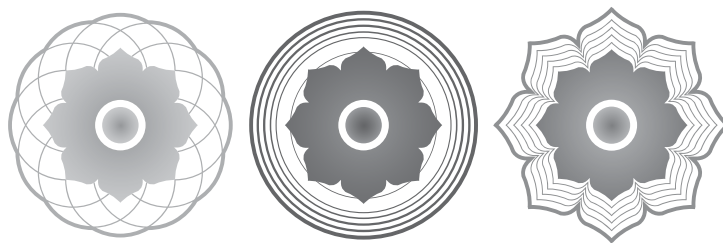
Membership No.- FCS7069

Chief Financial Officer

Rahul Ahuja

Place: New Delhi

Date: May 22, 2018



ANTARA

SENIOR LIVING

DIRECTORS' REPORT

Your Directors have the pleasure in presenting the 7th Annual Report together with the Audited Accounts for the financial year ended March 31, 2018.

FINANCIAL PERFORMANCE

The financial highlights of your Company for the year under review are given below:

	(₹ in Lacs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Total Income	93.81	1147.12
Total expenses	2069.3	1534.53
EBITDA	(1975.49)	(387.41)
Less: Depreciation	41.57	45.03
Less: Finance cost	-	-
Profit / (Loss) Before Tax	(2017.06)	(432.44)
Less : Tax expense	-	-
Profit / (Loss) After Tax	(2017.06)	(432.44)

The Company registered a net loss amounting to ₹2017.06 lakhs as compared to a net loss of ₹ 432.44 lakhs in the previous financial year.

In order to support the subsidiary company, Antara Purukul Senior Living Ltd. (APSL), your Company has invested during the period under review an additional sum of ₹92.5 crore in APSL by subscribing to its equity shares.

KEY OPERATIONAL DEVELOPMENTS OF FINANCIAL YEAR 2017-18

Marketing and promotion of the 'Antara' brand and booking of apartments for the first residential senior living community at Dehradun ("**Dehradun Community**"), developed by APSL has continued to be the main focus of the Company. The Company has also been focussing on finding a low risk and capital light opportunity for development of senior living community in line with the direction from the Board. For these activities, the following initiatives were taken:

1. Post commencement of operations in Dehradun Community, there has been an increased focus on acquiring clients through experiential visits backed with well-planned campaigns over print and digital media advertorials alongwith resident and client events at the Dehradun Community .
2. Support in stabilization of operations of Dehradun

Community in terms of people, process and product to enable it to achieve financial sustainability.

3. Scouting for right growth opportunity in partnership with credible developers where the Company contributes in the areas of its core strength i.e. sales & marketing and operations, thus making it a low risk and capital light business model.

MARKETING AND BRAND BUILDING INITIATIVES

The previous financial year marked a new beginning as the Dehradun Community got fully operationalized in April, 2017. Marketing efforts were channelized towards generating footfall at the Dehradun Community alongwith focused and quality leads through the most effective avenues. Resident testimonials in the form of advertorials in leading publications like HT, TOI were released. Product advertorials focusing on Dehradun were also done. There were events organized at the Dehradun Community like wine and cheese, activations and sponsorship/ club events. Brand 'Antara' was featured in various publications. The social media channels like Facebook, LinkedIn and YouTube have highlighted the 'Life at Antara' and various facilities and amenities of the Dehradun Community.

Dehradun Community also won accolades at the Ageing Asia Awards for best 'Silver Interior Design' and Mrs. Tara Singh Vachani, Managing Director and CEO of the Company received 'Ageing Asia Influencer Award'.

ACUTE FOCUS ON FINANCIAL SUSTAINABILITY FOR ANTARA DEHRADUN

After the commencement of operations of Dehradun Community, there has been focus towards achieving financial sustainability on both the fronts i.e. revenue as well as cost. Various footfall generating activities like tie up with event management companies etc. have begun to generate revenues for Dehradun Community. Efforts are ongoing to also achieve operational efficiencies and cost savings.

During the financial year under review, the Community Development team has also launched the Antara Club membership.

GROWTH OPPORTUNITY(IES)

Your Company has been working over the previous financial year in creating a clear roadmap for future communities, based on learnings from Antara Dehradun as well as exploring other potential avenues of business growth. In line with the direction from the Board, a few low risk & capital light opportunities based on Operator's model have been identified in Delhi NCR

and Mohali region.

It is envisaged that your Company shall invest INR 15 -20 Cr as reimbursable investment to kick start sales and early construction needs, while taking care of its corporate cost expenses.

The Developer partner shall contribute land and take *interalia* through construction responsibility, your Company shall be responsible for providing design and sales & marketing support. Your Company shall also independently run the operations post-handover of residences to the clients. Your Company will get fee for services provided during the project phase as a percentage of revenue.

INDUSTRY OUTLOOK

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

New projects are coming with a size of 250-300 units to achieve better operational efficiency as opposed to earlier communities which were mostly with size of 100-200 units. With the concept gaining popularity in the space of seniors, the average price point has also witnessed an upward trend with a new breed of senior living projects targeting a price range of ₹ 55-75 lakhs.

While most of the projects continue to be in the southern part of India, there are new projects which are coming up in East and North India as well. Currently there are a total of 50 players in the Indian senior living industry, out of which 15 are serious players. As per a recent study done by Jones Lang LaSalle(JLL), by 2025, there shall be approximately 450,000 houses in the senior sector and 1 million seniors would be touched by formal senior living players in India.

FUTURE OUTLOOK

Over the course of Financial Year 2018-19, your Company's prime focus will be to launch sales under the Operator model as per the approved timelines and achieve the sales and collection milestones as per approved business plan.

Your Company shall also focus on providing support to

APSL in achieving financial sustainability for operations of Dehradun Community by building operational efficiencies and attracting footfall to create additional revenues. Your Company will continue to build its brand positioning and product awareness amongst the target customers by various brand promotion, marketing initiatives, events and activities at the Dehradun Community to generate leads and client acquisition. The team also targets to increase the bookings.

DIVIDEND

Your Directors have not recommended any dividend for the year under review in view of loss incurred by the Company.

SHARE CAPITAL

During the financial year under review, the Company raised its Authorized Share Capital from ₹276,00,00,000 (Rupees Two Hundred and Seventy Six Crores only) divided into 80,00,000 (Eighty Lakhs) Equity Shares of ₹10/- each and 268,00,000 (Two Crore and Sixty Eight Lakhs) Compulsory Convertible Preference Shares (CCPS) of ₹ 100/- each to ₹341,00,00,000 (Three Hundred and Forty One Crores only) divided into 80,00,000 (Eighty Lakhs) Equity Shares of ₹10/- each and 333,00,000 (Three Crore Thirty Three Lakhs) CCPS of ₹100/- each ranking pari passu in all respect with the existing Equity Shares of the Company.

The Company has allotted CCPS by way of rights issue to the existing equity shareholder, Max India Limited .

As on date of the Report, the paid-up share capital of the Company is ₹3,06,21,41,700/- comprising 80,00,000 equity shares of ₹ 10/- each and 2,98,21,417 compulsorily convertible preference shares of ₹ 100/- each. The entire paid up share capital is held by Max India Limited.

MATERIAL CHANGE AFFECTING THE FINANCIAL POSITION OF THE COMPANY SINCE MARCH 31, 2018 TO THE DATE OF THE REPORT

There is no material change affecting the financial position of the Company since March 31, 2018 to the date of Report.

TRANSFER TO RESERVES

The Company does not propose to transfer any amount to the reserves.

BOARD OF DIRECTORS

In terms of Section 152 of the Companies Act, 2013 (Companies Act) and Articles of Association of the

Company, Mr. Analjit Singh and Mr. Rahul Khosla, directors are liable to retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible, have offered themselves for re-appointment.

Brief resume, nature of expertise, details of directorships held in other companies of the Directors proposed to be re-appointed along with their shareholding in the Company as stipulated under Secretarial Standard 2 is appended as an annexure to the Notice of the ensuing AGM.

KEY MANAGERIAL PERSONNEL

As on the date of this Report, Mrs. Tara Singh Vachani, Managing Director & Chief Executive Officer and Mrs. Deepa Sood, Company Secretary are the Key Managerial Personnels (KMPs) of the Company, pursuant to the provisions of the Companies Act.

During the financial year under review, Mr. AVK Rao resigned from the office of CFO and KMP of the Company with effect from March 31, 2018 due to personal reason. Based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors at its meeting held on July 24, 2018 appointed Mr. Ajay Agarwal as CFO and KMP of the Company effective August 1, 2018.

DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTORS

The Company has received declarations from Mr. Pradeep Pant and Mrs. Sharmila Tagore, Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under Section 149 of the Companies Act.

Further, the code of conduct for independent directors specifying their roles, rights, responsibilities in the Company, business model of the Company and related matters are put up on the website of the Company at the link <<http://www.antaraseniorliving.com>>.

BOARD EVALUATION

Keeping in view the requirements of Companies Act as amended from time to time, on Board evaluation, the Nomination and Remuneration Committee approved the performance evaluation process elaborating various aspects of Board evaluation that helps the Board to derive the best possible benefit and achieve the objective of the entire process.

The performance evaluation was conducted based on approved criteria in the evaluation forms. The evaluation

process invited, through IT enabled platform and graded responses to a structured questionnaire for each aspect of the evaluation viz. time spent by each of the directors; accomplishment of specific responsibilities and expertise; conflict of interest; integrity of the Director; active participation and contribution during discussions. The annual performance evaluation included evaluation of the Board, independent directors, non-independent directors, executive directors, Chairman, Committees of the Board, quantity, quality and timeliness of information to the Board.

Each Director completes the evaluation form and shares feedback which is discussed at the meetings of the Nomination and Remuneration Committee and the Board. The Board evaluation for the financial year 2017-2018 was completed by the Board as per the process explained above.

POLICY ON QUALIFICATION AND REMUNERATION FOR THE DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER TEAM MEMBERS

The Company has framed a Policy for determining qualifications, positive attributes and independence of a Director and remuneration for the Directors and other team members of the Company. The Policy is attached herewith marked as **Annexure-1**.

INTERNAL FINANCIAL CONTROLS

Your Company's internal systems are adequate and commensurate with the size of its operations. These controls ensure that transactions are authorized, recorded and reported on time. They ensure that assets are safe guarded and protected against loss or unauthorized disposal.

The internal auditors carried out audits in different areas of your Company's operations. Post-audit reviews were carried out to ensure that audit recommendations were implemented. The Audit Committee reviewed the audit program and findings of the internal audit.

DETAILS OF SUBSIDIARY COMPANIES

The Company has following two subsidiaries as on March 31, 2018:

1. Antara Purukul Senior Living Limited
2. Antara Gurgaon Senior Living Limited

There has been no material change in the nature of the business of the subsidiaries.

FINANCIAL PERFORMANCE OF EACH OF THE SUBSIDIARIES**Antara Purukul Senior Living Limited**

	(₹ in Lacs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Total Income	1517.98	57.82
Total expenses	2419.88	2627.15
EBITDA	(901.9)	(2569.33)
Less: Depreciation	1475.93	64.15
Less: Finance cost	3486.14	806.31
Profit / (Loss) Before Tax	(5863.97)	(3439.79)
Less : Tax expense	-	-
Profit / (Loss) After Tax	(5863.97)	(3439.79)

Antara Gurgaon Senior Living Limited

	(₹ in Lacs)	
	For the Year Ended March 31, 2018	For the Year Ended March 31, 2017
Total Income	-	-
Total expenses	(0.46)	(0.47)
EBITDA	(0.46)	(0.47)
Less: Depreciation	-	-
Less: Finance cost	-	-
Profit / (Loss) Before Tax	(0.46)	(0.47)
Less : Tax expense	-	-
Profit / (Loss) After Tax	(0.46)	(0.47)

The statement containing the salient features of the financial statements of the subsidiaries in the prescribed format AOC-1 is appended as **Annexure-2** to this Report. The Company does not have any associate or joint venture companies.

AUDITORS AND AUDITORS' REPORT**STATUTORY AUDITORS**

In terms of the provisions of Section 139 of the Companies Act read with Rules made thereunder, the term of M/s. Ravi Rajan & Co., Chartered Accountants, the Statutory Auditors of the Company expires at the conclusion of the ensuing AGM.

The Board has recommended the re-appointment of M/s. Ravi Rajan & Co., Chartered Accountants as the Statutory Auditors of the Company for a term of five (5) years from the conclusion of the forthcoming AGM to the conclusion of 12th AGM for approval of the shareholders, based on the recommendation of the Audit Committee.

M/s. Ravi Rajan & Co., Chartered Accountants have confirmed their eligibility to act as Statutory Auditors of the Company.

STATUTORY AUDITORS' REPORT

All observations made in the Statutory Auditors' Report and notes to the accounts are self-explanatory and do not contain any adverse remarks or qualification from the Statutory Auditors and thus not call for any further comments under Section 134 of the Companies Act.

There are no audit qualifications or reporting of fraud in the Statutory Auditors Report given by M/s Ravi Rajan & Co., Statutory Auditors of the Company for the financial year 2017-18 as annexed in the Annual Report.

SECRETARIAL AUDITOR

Pursuant to Section 204 of the Companies Act, your Company has appointed M/s P.C Jain & Co., Company Secretaries as its Secretarial Auditor to conduct Secretarial Audit for the Financial Year 2017-18. The Secretarial Audit Report for the financial year

ended March 31, 2018 is annexed herewith marked as **Annexure-3** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remarks.

DISCLOSURES:

COMPOSITION OF COMMITTEES

AUDIT COMMITTEE

The composition of the Audit Committee and details of attendance of the member at the meetings held during the year are given below:

Name and Designation	Category	No. of Meetings	
		Held during the tenure	Attended
Mr. Pradeep Pant	Independent Director	5	5
Mrs. Sharmila Tagore	Independent Director	5	5
Mr. Rohit Kapoor	Non-Executive Director	5	4

There was no change in composition of the Audit Committee during the financial year under review.

The composition, role and terms of reference of the Audit Committee are in compliance with Section 177 of the Act besides other terms, as may be referred to it by the Board of Directors of the Company, from time to time. The Board has accepted all recommendations made by the Audit Committee from time to time.

NOMINATION AND REMUNERATION COMMITTEE

The composition of the Nomination and Remuneration Committee and details of attendance of the member at the meetings held during the year are given below:

Name and Designation	Category	No. of Meetings	
		Held during the tenure	Attended
Mr. Rahul Khosla	Chairman Non-Executive Director	3	3
Mr. Pradeep Pant	Independent Director	3	3
Mr. Mohit Talwar	Non-Executive Director	3	2
Mrs. Sharmila Tagore	Independent Director	3	3

There was no change in composition of the Nomination & Remuneration Committee during the financial year under review.

NUMBER OF MEETINGS OF BOARD OF DIRECTORS AND ITS COMMITTEES

The Company prepares a calendar of meetings of the Board and Committees in advance so as to allow the Directors to block their calendars. During the year under review, the Board of Directors duly met five times on May 24,2017, July 26,2017, October 30,2017, December 22,2017 and February 2,2018.

During the year under review, the Audit Committee met five times on May 24, 2017, July 25, 2017, October 30, 2017, December 22, 2017 and February 7, 2018. The Nomination and Remuneration Committee met three times on April 3, 2017, July 25, 2017 and February 8, 2018.

Proper notices were given for the meetings of Board and its Committees and the proceedings were properly recorded and signed minutes were maintained in the minutes book.

PARTICULARS OF THE LOANS, INVESTMENT OR GUARANTEES

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act are given in the notes to the Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All arrangements / transactions entered into by the Company with its related parties during the year were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any transactions with related parties which could be considered material in terms of Section 188 of the Act and accordingly the disclosure of Related Party Transactions in Form AOC-2 is not applicable. However, names of Related Parties and details of transactions with them during the Financial Year 2017-18 is annexed herewith marked as **Annexure-4** to this Report.

PUBLIC DEPOSITS

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

RISK MANAGEMENT POLICY

Your Company has implemented a risk management policy adopted by the Board of directors for assessing the key risks faced by the organization such as

strategic, financial, credit, market, liquidity, information technology, legal, regulatory and other risks.

Every quarter, the Audit Committee reviews the principal risks and uncertainties that can impact the ability of the Company to achieve its strategic objectives and seek measures to minimize the adverse impact of these risks.

There are no risks which in the opinion of the Board may threaten the existence of the Company.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

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

a) Conservation of Energy

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

b) Technology Absorption

Your Company is not engaged in manufacturing activities, therefore there is no specific information to be furnished in this regard.

There was no expenditure incurred on Research and Development during the period under review.

c) Foreign Exchange Earnings and Outgo

The foreign exchange earnings and outgo are given below:

Total Foreign Exchange earned: Nil

Total Foreign Exchange used: ₹ 29.16 Lacs

(₹ in Lacs)		
PARTICULARS	2017-18	2016-17
Foreign Exchange Outgo		
Legal and professional	6.43	-
Staff Welfare	10.07	-
Travelling and Conveyance	2.83	-
Director Sitting Fees	9.83	13.78
Total	29.16	13.78

EXTRACT OF ANNUAL RETURN

Extract of Annual Return in Form No. MGT-9 as provided under Section 92(3) of the Companies Act is annexed herewith as **Annexure-5** to this Report.

SECRETARIAL STANDARDS

Your Directors confirm compliance of all applicable Secretarial Standards during the Financial year 2017-18.

PARTICULARS OF EMPLOYEES

The information required under Rule 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the **Annexure-6** to this Report.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

No case under the said Act has been reported during the financial year under review.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(5) of the Companies Act, with respect to Directors Responsibility Statement, your Directors confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departures;

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

ACKNOWLEDGEMENT

Your Directors place on record their deep appreciation to management and team members at all levels for their hard work, dedication and commitment. The Board also

places on record its appreciation for the support and co-operation your Company has been receiving from the suppliers, distributors, retailers, business partners, Government departments both at central & state level and all other stakeholders.

For and on behalf of the Board of Directors

Antara Senior Living Ltd.

Place: New Delhi
Date: July 24, 2018

Sd/-
Analjit Singh
Chairman
DIN No.- 00029641

ENCLOSURES:

Annexure-1: Policy on qualification, positive attributes etc. of Directors
Annexure-2: Form AOC-1
Annexure-3: Secretarial Auditor Report for Financial Year 2017-18
Annexure-4: List of Related Party Transactions for Financial Year 2017-18
Annexure-5: Extract of Annual Return of the Company
Annexure-6: Particulars of Employees and their remuneration

Annexure-1**APPOINTMENT CRITERIA, QUALIFICATION & REMUNERATION POLICY IN TERMS OF SECTION 178 OF THE COMPANIES ACT, 2013 ("THE ACT")****Preamble**

In terms of Section 178 of the Act, the Nomination & Remuneration Committee ("NRC") shall formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel ("KMP") and other employees.

Appointment Criteria and Qualification

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

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

Remuneration Policy

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

The key components of the Company's Remuneration Policy are - the Compensation will be based on credentials and the major driver of performance, compensation will be competitive and benchmarked with industry practice and compensation will be fully transparent and tax compliant.

The purpose of this Policy is to ensure that the remuneration to Directors, KMP and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals and to retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

- Remuneration of Managing / Whole-time Director/ Manager/CEO, KMP and Senior Management

The remuneration of the Managing / Whole - time Director/ Manager/CEO will be determined by the NRC and recommended to the Board for approval. Such remuneration shall be subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required and shall be in accordance with the provisions of the Act and Rules made thereunder. Further, the Manager/ CEO of the Company is authorised to decide the remuneration of KMP (other than Managing / Wholetime Director/ Manager/CEO) and Senior Management, and which shall be decided by the Manager/CEO based on the standard market practice and prevailing HR policies of the Company.

- Remuneration to Non-executive / Independent Director

The remuneration / commission / sitting fees, as the case may be, to the Non-Executive /Independent Director, shall be in accordance with the provisions of the Act and the Rules made thereunder for the time being in force or as may be decided by the Committee / Board /shareholders. An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act, as amended from time to time.

For and on behalf of the Board of Directors

Antara Senior Living Ltd.

Place: New Delhi
Date: July 24, 2018

Sd/-
Analjit Singh
Chairman
DIN No.- 00029641

Form AOC-1

(Pursuant to first proviso to sub section (3) of section 129 read with
rule 5 of Companies (Accounts) Rules, 2014)

Financial Summary of the Subsidiary Companies			Rs. In Lakhs	
Name of Subsidiary	Antara Purukul Senior Living Ltd		Antara Gurgaon Senior Living Ltd	
Particulars	As on 31-Mar-18	As on 31-Mar-17	As on 31-Mar-18	As on 31-Mar-17
Share Capital	24,142.71	15,392.71	5.00	5.00
Reserves & Surplus	(19,023.83)	(13,159.86)	(2.49)	(2.03)
Total Assets	54,084.56	55,001.84	2.91	3.17
Total Liabilities	48,965.68	52,768.99	0.40	0.20
Investments	-	-	-	-
Turnover	1,517.98	57.82	-	-
Profit/(Loss) before taxation	(5,863.97)	(3,439.79)	(0.46)	(0.47)
Provision for taxation	-	-	-	-
Profit/(Loss) after taxation	(5,863.97)	(3,439.79)	(0.46)	(0.47)
Proposed Dividend	-	-	-	-
% of Shareholding		100%		100%
Reporting Currency	INR			

Notes:

- The detailed financials of the Subsidiary Companies shall be made available to any Shareholder seeking such information.
- The Company does not have any associate companies or joint ventures.

For and on behalf of the Board of Directors

Antara Senior Living Ltd.

Place: New Delhi
Date: July 24, 2018

Sd/-
Tara Singh Vachani
Managing Director & CEO
DIN No.- 02610311

Sd/-
Pradeep Pant
Director
DIN No.-00677064

Sd/-
Deepa Sood
Company Secretary

Form No. MR-3

SECRETARIAL AUDIT REPORTFOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

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

To,
The Members,
Antara Senior Living Limited
"Max House" 1, Dr. Jha Marg,
Okhla Phase-III, New Delhi- 110 020

Dear Members,

We have conducted the Secretarial Audit of compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Antara Senior Living Limited CIN: U74140DL2011PLC218781 (hereinafter called "the Company")**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:-

- (i) The Companies Act, 2013 (the Act) and the rules made there under
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under **(Not applicable during the period under review.)**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under **(Not applicable during the period under review.)**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the

extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings.

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :- **(Not applicable during the period under review.)**

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

- (vi) No other laws are specifically applicable to the Company during the period under review.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.

- (ii) Being an unlisted company, no listing agreement is required to be entered with any Stock Exchange(s).

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

We further report that during the audit period following specific events/ actions were taken by the Company which have major bearing on the Company's affairs in pursuance of the acts, rules, regulations, guidelines, standards etc. referred above:-

1. The Company has issued and allotted 12,00,000 (Twelve Lakh) Compulsory Convertible Preference shares (CCPS) of Rs. 100/- each (Rupees One Hundred) for cash at par, in two tranches of 6,00,000 Compulsory Convertible Preference shares (CCPS) each, on rights issue basis to the existing equity shareholder (*Max India Limited- Holding Company*) under section 55 and 62 and other applicable provisions of the Companies Act, 2013 and rules made there under on the following terms:

As per the terms of issue, these CCPS may be converted at the option of the Shareholder into equity shares during the tenor of 7 years from the date of issue. The conversion price will be at a yield of 12% IRR on the amount invested from the date

of investment till the date of conversion.

During the year under review, the Company, after obtaining necessary approvals from the classes of shareholders, has varied the original terms of issued CCPS as follows:

- (i) Ratio at the conversion to be 10 equity shares for every 1 CCPS in ASLL;
 - (ii) The tenor of issue/period of conversion to be enhanced from 7 years to 10 years from the date of allotment of each tranche of CCPS; and
 - (iii) As a consequence, the CCPS not to have any IRR from the respective date of issuance of each tranche of CCPS.
2. Subsequently, the Company has issued and allotted 87,50,000 (Eighty Seven Lakh Fifty Thousand) Compulsory Convertible Preference shares (CCPS) of Rs. 100/- each (Rupees One Hundred) for cash at par, on right issue basis to the existing equity shareholder (*Max India Limited- Holding Company*) under section 55 and 62 and other applicable provisions of the Companies Act, 2013 and rules made there under. Each CCPS of this issue will be converted, at the option of the Shareholder into 10 equity shares during the tenor of 10 years from the date of issue.
 3. Further, vide a Letter of Offer dated March 22, 2018 the Company has issued 7,00,000 (Seven Lakh) CCPS of Rs. 100/- each at par aggregating to Rs. 7,00,00,000/- (Rupees Seven Crore only) on a rights basis to the existing equity shareholders of the Company under section 55 and 62 and other applicable provisions of the Companies Act, 2013 and rules made there under. Each CCPS of this issue can be converted, at the option of the Shareholder into 10 equity shares during the tenor of 10 years from the date of issue. The shares were subscribed by Max India Limited. The allotment of these 7,00,000 CCPS is pending as on the date of report.
 4. The Company has subscribed on right issue basis 8,75,00,000 Equity Shares of Rs.10/- each amounting to Rs. 87,50,00,000 in Antara Purukul Senior Living Limited, subsidiary Company.
 5. The Company has amended its Memorandum of Association in respect of capital clause by way of increase in its Authorized Share Capital in its Extra Ordinary General Meeting held on 8th February, 2018 from Rs. 2,76,00,00,000 divided into 80,00,000 equity shares of Rs. 10/- each and 2,68,00,000

Compulsorily Convertible Preference Shares of Rs. 100/- each to Rs. 3,41,00,00,000 divided into 80,00,000 equity shares of Rs. 10/- each and 3,33,00,000 Compulsorily Convertible Preference Shares of Rs. 100/- each.

Company Secretaries
(FRN:P2016HR051300)

6. The Company has been named as a co-borrower for the Rupee term loan sanctioned by Aditya Birla Finance Limited to Antara Purukul Senior Living Limited, a subsidiary Company of Antara Senior Living Limited amounting to Rs. 208 crores (Loan Facility) and Rs. 12 crores (Line of Credit facility) respectively.

Date: 3rd May, 2018
Place: Faridabad

Sd/-
(P C Jain)
Partner
CP No. 3349
FCS 4103

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

For **P.C. Jain & Co.**

'Annexure A'

To,
The Members,
Antara Senior Living Limited
Max House
1, Dr. Jha Marg, Okhla
New Delhi-110020

Sir,

Our Secretarial Audit Report for the financial year 2017-18 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records, personal

records of employee(s) and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **P.C. Jain & Co.**
Company Secretaries
(FRN:P2016HR051300)

Date: 3rd May, 2018
Place: Faridabad

Sd/-
(P C Jain)
Partner
CP No. 3349
FCS 4103

Annexure-4

List of Related Party Transactions for Financial Year 2017-18

(Rs. in lacs)					
Particulars	Subsidiary Company	Fellow Subsidiary	Enterprise over which director or his relative is able to exercise significant influence or control	Key Managerial Personnel	Total
	Antara Purukul Senior Living Limited	Pharmax Corporation Limited	New Delhi House Services Limited	Ms. Tara Singh Vachani	
Transactions during the year					
Sale of services- Marketing fees	66.96 (69.03)	- (-)	- (-)	- (-)	66.96 (69.03)
Interest income on loans	- (1,021.94)	- (-)	- (-)	- (-)	- (1,021.94)
Managerial remuneration	- (-)	- (-)	- (-)	158.72 (117.57)	158.72 (117.57)
Staff welfare expenses	- (-)	- (-)	32.67 (9.30)	- (-)	32.67 (9.30)
Electricity charges	- (-)	- (-)	52.52 (13.68)	- (-)	52.52 (13.68)
Rent including lease rental	2.90 (-)	67.72 (22.29)	- (-)	- (-)	70.62 (22.29)
Loan received back by the Company	- (-)	- (10,720.81)	- (-)	- (-)	- (10,720.81)
Corporate guarantee given	22,000.00 (-)	- (-)	- (-)	- (-)	22,000.00 (-)
Balances outstanding at the end of year					
Trade payables	- (-)	- (-)	8.20 (1.32)	- (-)	8.20 (1.32)
Trade receivables	0.51 (-)	- (-)	- (-)	- (-)	0.51 (-)
Other current liabilities	2.71 (-)	- (-)	- (-)	- (-)	2.71 (-)
Long term loans and advances					
Security deposit given	- (-)	11.51 (11.15)	- (-)	- (-)	11.51 (11.15)
Corporate guarantees given at the year end	22,000.00 (27,700.00)	- (-)	- (-)	- (-)	22,000.00 (27,700.00)

Note: Figures in brackets pertain to previous year

For and on behalf of Board of Directors
Antara Senior Living LimitedSd/-
Mr. Analjit Singh
Chairman
DIN No. 00029641Place: New Delhi
Date: July 24, 2018

Annexure-5

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on the Financial Year ended 31.03.2018

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	U74140DL2011PLC218781
ii	Registration Date	6/5/2011
iii	Name of the Company	ANTARA SENIOR LIVING LIMITED
iv	Category/Sub-category of the Company	UNLISTED PUBLIC COMPANY
v	Address of the Registered office & contact details	MAX HOUSE,1 DR. JHA MARG, OKHLA, NEW DELHI- 110020
vi	Whether listed company	NO
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 PH: 011-26387281 FAX: 011-26387384

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Real Estate Activities on a Fee basis or contract basis	NIC 2008 68200	100

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	MAX INDIA LIMITED	L85100PB2015PLC039155	HOLDING	100	2(46)
2	ANTARA PURUKUL SENIOR LIVING LIMITED	U74120UR1995PLC018283	SUBSIDIARY	100	2(87)
3	ANTARA GURGAON SENIOR LIVING LIMITED	U74140DL2012PLC244411	SUBSIDIARY	100	2(87)

IV (i) SHAREHOLDING PATTERN (Equity Share capital Break up as % 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										
b) Central Govt.or State Govt.										
c) Bodies Corporates	7,999,994	6	8,000,000	100	7,999,994	6	8,000,000	100	N.A	N.A
d) Bank/FI										
e) Any other										
SUB TOTAL:(A) (1)	7,999,994	6	8,000,000	100	7,999,994	6	8,000,000	100	N.A	N.A
(2) Foreign										
a) NRI- Individuals										
b) Other Individuals										

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		
c) Bodies Corp.										
d) Banks/FI										
e) Any other...										
SUB TOTAL (A) (2)										
Total Shareholding of Promoter	7,999,994	6	8,000,000	100	7,999,994	6	8,000,000	100	N.A	N.A
(A)= (A)(1)+(A)(2)										
B. PUBLIC SHAREHOLDING	NOT APPLICABLE									
(1) Institutions										
a) Mutual Funds										
b) Banks/FI										
c) Central govt										
d) State Govt.										
e) Venture Capital Fund										
f) Insurance Companies										
g) FIIS										
h) Foreign Venture Capital Funds										
i) Others (specify)										
SUB TOTAL (B)(1):										
(2) Non Institutions										
a) Bodies corporates										
i) Indian										
ii) Overseas										
b) Individuals										
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs										
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs										
c) Others (specify)										
SUB TOTAL (B)(2):										
Total Public Shareholding										
(B)= (B)(1)+(B)(2)										
C. Shares held by Custodian for GDRs & ADRs	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
Grand Total (A+B+C)	7,999,994	6	8,000,000	100	7,999,994	6	8,000,000	100	N.A	N.A
Note: In addition, Company has also issued preference shares of Rs. 100/-each to the Promoters as under:										
No. of Shares held at the beginning of the year										18,321,417
No. of Shares held at the end of the year										28,271,417

(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 INDIA LTD		100%	Nil		100%	Nil	
	Equity	8000000			8000000			Nil
	Preference	18321417			28271417			54.31%
	Total	26321417	100%	Nil	36271417	100%	Nil	37.80%

(iii) 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
	At the beginning of the year	26321417	100	26321417	100
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc)	Allotment of 99,50,000 CCPS of Rs.100/- each			
	At the end of the year	36271417	100	36271417	100

(iv) Shareholding Pattern of top ten Shareholders (other than Direcors, Promoters & Holders of GDRs & ADRs)

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/ B10sweat equity etc)	NIL			
	At the end of the year (or on the date of separation, if separated during the year)				

(v) Shareholding of Directors & KMP

Sl. No	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the end of the year				

_____NIL_____

V INDEBTEDNESS

(in Rupees)				
Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness 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				
Additions				
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)				

NIL

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole time director and/or Manager:**

					(in Rupees)
Sl. No	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount
1	Gross salary	*MD & CEO	WTD	Manager	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	6850000	N.A	NA	6850000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	5250000	N.A	NA	5250000
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	NA	N.A	NA	0
2	Stock option	N.A	N.A	NA	N.A
3	Sweat Equity	N.A	N.A	N.A	N.A
4	Commission	N.A	N.A	N.A	N.A
	as % of profit	N.A	N.A	N.A	N.A
	others (specify)	N.A	N.A	N.A	N.A
5	Others, please specify	N.A	N.A	N.A	N.A
	Total (A)	12100000			12100000
	Ceiling as per the Act	2.40 Crores			2.40 Crores

B. Remuneration to other directors:

Sl.No	Particulars of Remuneration	Name of the Directors		Total Amount
1	Independent Directors	Mr. Pradeep Pant	Mrs. Sharmila Tagore	
	(a) Fee for attending board/ committee meetings	1400000	1400000	2800000
	(b) Commission	Nil	Nil	Nil
	(c) Others, please specify	Nil	Nil	Nil
	Total (1)	1400000	1400000	2800000
2	Other Non Executive Directors			
	(a) Fee for attending board committee meetings			
	(b) Commission			
	(c) Others, please specify.			
	Total (2)			
	Total (B)=(1+2)	1400000	1400000	2800000
	Total Managerial Remuneration			2800000
	Overall Ceiling as per the Act			Rs. 1 Lakh per meeting

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTB

					(in Rupees)
Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
1	Gross Salary	CEO	Company Secretary	*CFO	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	N.A	4636583	9698080	14334663
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	N.A	0	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	N.A	N.A	N.A	0
2	Stock Option	N.A	N.A	N.A	N.A
3	Sweat Equity	N.A	N.A	N.A	N.A
4	Commission as % of profit	N.A	N.A	N.A	N.A
	others, specify	N.A	N.A	N.A	N.A
5	Others, please specify	N.A	N.A	N.A	N.A
	Total		4636583	9698080	14334663

**CFO resigned w.e.f March 31, 2018*

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	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A
B. DIRECTORS					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A
C. OTHER OFFICERS IN DEFAULT					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A

For and on behalf of the Board of Directors
Antara Senior Living Limited

Date: July 24, 2018
Place: New Delhi

sd/-
Analjit Singh
Chairman
DIN : 00029641

Annexure-6

Information as required under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended and forming part of the Director's Report for the Financial Year ended March 31, 2018

Top 10 employees in terms of remuneration drawn

S. No.	Employee Name	Designation	Qualification	Age	Previous Employer	Total Experience in Years	Designation at Previous employment	Date of Joining	Gross Remuneration Amount In Rupees
1	Prem Singh Rathore	Senior Manager - Business Planning & Performance	MBA	35.9	ITC Hotel	15.6	Manager- Six Sigma	5-Nov-15	2,975,186
2	Brijesh Kumar Gaur	General Manager - Relationship Building	M.Sc.	48.2	MMR Saha Infrastructure Pvt. Ltd.	24.1	Vice President	11-May-15	3,470,795
3	Renuka Dudeja	Head - Brand & Communication	B.Com.	45.2	Marykay Cosmetics Pvt. Ltd.	24.2	Sr. Manager – Comm, PR & Consult Mktg Prog	7-Apr-14	4,226,651
4	Deepa Sood	Legal Counsel	CS & LLB	39.1	Akme Projects Ltd.	18.3	Head – Legal & Compliance	26-Apr-13	4,636,583
5	Sanjay Bhatia	Head – Relationship Building	CA	53.4	Max Life Insurance Company Ltd.	30	Vice President & Head – Strategic Initiatives (Revenue)	17-Jun-13	5,735,189
6	Ambica Chaturvedi	Director - Human Capital	PGDBA	37.6	Essar Services India Ltd.	15.5	DGM-HR	1-Apr-17	5,993,665
7	Saumyajit Roy	Director - Business Planning & Performance	MBA	40.9	JLL	15.8	Associate Director	1-May-17	7,479,792
8	A V K Rao	Director - Finance & Accounts	CA	49	Premium Inn India Pvt Ltd.	23.6	VP- Finance and Planning	1-Jun-17	9,698,080
9	Tara Singh Vachani	Managing Director and Chief Executive Officer	BA	31.4	Max Ventures Pvt. Ltd.	7.2	Chief Executive Officer	1-May-12	12,100,000
10	Kenneth Sannoo	Director – Community Development	BA	56.3	Max Life Insurance Company Ltd.	34	Director & Chief Distribution Officer	1-Sep-12	15,515,748

Note: All are permanent employees and are governed by their letter of appointment.

Employees who have received remuneration not less than Rs. 1.20 Crores in FY 2017-18 (earlier it was 60 Lakhs)

1	Tara Singh Vachani	Managing Director and Chief Executive Officer	BA	31.4	Max Ventures Pvt. Ltd.	7.2	Chief Executive Officer	1-May-12	12,100,000
2	Kenneth Sannoo	Director – Community Development	BA	56.3	Max Life Insurance Company Ltd.	34	Director & Chief Distribution Officer	1-Sep-12	15,515,748

For and on behalf of Board of Directors
Antara Senior Living Ltd.

Place: New Delhi
Date: July 24, 2018

Sd/-
Analjit Singh
Chairman
DIN No. 00029641

INDEPENDENT AUDITOR'S REPORT

To,

The Members of

Antara Senior Living Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Antara Senior Living Limited** ('the Company'), which comprise the balance sheet as at 31st March, 2018, the statement of profit and loss and the cash flow statement for the year 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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the 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 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 the 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 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 the 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 the 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations and representation given to us, the aforesaid 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;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2018;
- b) in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the 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 A**, a statement on the matters specified in the paragraph 3 and 4 of the order.

2. As required by Section 143 (3) of the Act, we report that:

- (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
- (d) in our opinion, the aforesaid 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 the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 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 B**"; and

- (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 commitments/contracts including derivative contracts for which there will be any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to Investor Education and Protection Fund.

For,

Ravi Rajan & Co.,

(Chartered Accountants)

Firm's registration number: 009073N

Ravi Kumar

Partner

Membership number: 508424

Place: New Delhi

Date: 14th May, 2018

Annexure - A to the Auditors' Report

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Antara Senior Living Limited of even date, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a policy to verify its fixed assets once in three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. The physical verification was carried out during previous year. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no immovable property held with the Company.
- (ii) The Company does not have any inventory and hence reporting under clause (ii) of the CARO 2016 is not applicable.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firm, LLP, or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, sub-clauses (a) to (c) of Clause (iii) of the order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, in making investment and providing guarantee to related parties. The company has not granted any loans, or provided securities.
- (v) As per books of accounts, records and the information and explanations given to us, the company has not accepted any deposits within the meaning of sections 73 to 76 or other relevant provisions of the Act and Rules framed there under.
- (vi) Having regard to the nature of the Company's business/ activities, reporting under clause (vi) of the CARO, 2016 is not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is regular

in depositing undisputed statutory dues including Income Tax, Cess and other statutory dues applicable to it with the appropriate authorities. As per the information provided to us, Employees' State Insurance Act, 1948 are not applicable to the company and the operations of the Company during the year did not give rise to any liability for Sales Tax, Custom Duty, Excise Duty. There were no undisputed amounts payable in respect of Income Tax, Cess, and other material statutory dues as at 31st March, 2018 for a period of more than 6 months from the date they become payable.

- (b) There were no dues of Income tax as at 31st March, 2018 on account of disputes. The operations of the Company during the year did not give rise to any liability for Sales Tax, Custom Duty, Excise Duty.
- (viii) As per the records, the company has not taken any loans or borrowings from financial institutions, banks and Government nor has it issued any debentures. Hence, reporting under clause (viii) of CARO 2016 is not applicable to the Company.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year. Accordingly, clause (ix) of the CARO, 2016 is not applicable.
- (x) In our opinion and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported to us during the course of our audit.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid /provided managerial remuneration in accordance with the requisite approval mandated by the provision of section 197 read with schedule V to the companies' act 2013.
- (xii) As per information and explanations given to us, the company is not a nidhi company. Accordingly, Clause (xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act wherever applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Hence, clause (xiv) of the CARO 2016 is not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause (xv) of the CARO 2016 is not applicable.

(xvi) According to the information and explanations

given to us, the Company not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For,

Ravi Rajan & Co.,

(Chartered Accountants)

Firm's registration number: 009073N

Ravi Kumar

Partner

Membership number: 508424

Place: New Delhi

Date: 14th May, 2018

Annexure - B to the Auditors' Report

Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Antara Senior Living Limited of even date.

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

We have audited the internal financial controls over financial reporting of **Antara Senior Living Limited** ("the Company") as of 31st March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). 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 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.

Auditors' 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, issued by ICAI and deemed to be prescribed 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 judgment, 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 Company's 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 31st March 2018, 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,

Ravi Rajan & Co.,

(Chartered Accountants)

Firm's registration number: 009073N

Ravi Kumar

Partner

Membership number: 508424

Place: New Delhi

Date: 14th May, 2018

BALANCE SHEET

as at 31 March, 2018

			Rs./lacs	
Particulars	Note No.	As at 31 March, 2018	As at 31 March, 2017	
A. EQUITY AND LIABILITIES				
1. Shareholders' funds				
(a) Share capital	3	29,071.42	19,121.42	
(b) Reserves and surplus	4	(4,884.91)	(2,867.85)	
		24,186.51	16,253.57	
2. Share application money pending allotment				
(a) Preference share application money pending allotment	3	700.00	-	
3. Non-current liabilities				
(a) Other Long-term liabilities	5	-	4.06	
(b) Long-term provisions	6	157.50	159.15	
		157.50	163.21	
4. Current liabilities				
(a) Trade payables	7			
ii. total outstanding dues to creditors other than micro enterprises and small enterprises		108.22	168.56	
(b) Other current liabilities	8	97.28	63.55	
(c) Short-term provisions	9	1.95	139.95	
		207.45	372.06	
TOTAL		25,251.46	16,788.84	
B. ASSETS				
1. Non-current assets				
(a) Fixed assets				
(i) Tangible assets	10A	88.18	135.31	
(ii) Intangible assets	10B	9.36	18.35	
(iii) Capital work-in-progress		-	0.40	
		97.54	154.06	
(b) Non-current investments	11	24,172.81	15,422.81	
(c) Long-term loans and advances	12	128.88	176.24	
		24,301.69	15,599.05	
2. Current assets				
(a) Current investments	13	84.57	625.41	
(b) Trade receivables	14	0.51	-	
(c) Cash and cash equivalents	15	280.49	89.42	
(d) Short-term loans and advances	16	422.56	320.90	
(e) Other current assets	17	64.10	-	
		852.23	1,035.73	
TOTAL		25,251.46	16,788.84	
See accompanying notes forming part of the financial statements	1 to 31			

In terms of our report attached
For **Ravi Rajan & Co.**
Chartered Accountants
FRN - 009073N

Ravi Kumar
Partner
MRN - 508424

For and on behalf of the Board of Directors

Pradeep Pant
(Director)
DIN No: 00677064

Deepa Sood
(Company Secretary)

Tara Singh Vachani
(Managing Director & CEO)
DIN No: 02610311

Place : New Delhi
Date : 14 May, 2018

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31 MARCH, 2018

		Rs./lacs	
Particulars	Note No.	For the year ended 31 March, 2018	For the year ended 31 March, 2017
1. Income			
(a) Revenue from operations	18	66.96	69.03
(b) Other income	19	26.85	1,078.09
2. Total revenue		93.81	1,147.12
3. Expenses			
(a) Employee benefits expense	20	1,178.63	629.34
(b) Depreciation and amortisation expense	10	41.57	45.03
(c) Other expenses	21	890.67	905.19
4. Total expenses		2,110.87	1,579.56
5. Loss before tax (2-4)		(2,017.06)	(432.44)
6. Tax expense			
(a) Current tax		-	-
Loss after tax		(2,017.06)	(432.44)
Earnings per share (of Rs. 10 each)	26		
- Basic and diluted		(25.21)	(5.41)
See accompanying notes forming part of the financial statements	1 to 31		

In terms of our report attached
For **Ravi Rajan & Co.**
Chartered Accountants
FRN - 009073N

Ravi Kumar
Partner
MRN - 508424

Place : New Delhi
Date : 14 May, 2018

For and on behalf of the Board of Directors

Pradeep Pant
(Director)
DIN No: 00677064

Deepa Sood
(Company Secretary)

Tara Singh Vachani
(Managing Director & CEO)
DIN No: 02610311

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH, 2018

Particulars	Note No.	Rs./lacs	
		For the year ended 31 March, 2018	For the year ended 31 March, 2017
A. Cash flow from operating activities			
Loss before tax		(2,017.06)	(432.44)
Adjustments for:			
Depreciation and amortisation expense		41.57	45.03
(Gain) on sale of fixed assets		2.06	-
Net gain on sale of current investments in mutual funds		(26.85)	(49.34)
Operating loss before working capital changes		(2,000.28)	(1,462.71)
Changes in working capital:			
Adjustments for increase / (decrease) in operating liabilities:			
Trade payables		(60.34)	28.60
Other current liabilities		33.73	11.57
Other long-term liabilities		(4.06)	1.68
Short-term provisions		(138.00)	(118.55)
Long-term provisions		(1.65)	45.16
		(170.32)	(31.54)
Adjustments for (increase) / decrease in operating assets:			
Trade receivables		(0.51)	-
Short-term loans and advances		(101.65)	(29.49)
Long-term loans and advances		50.70	2.78
Other current assets		(64.10)	-
		(115.56)	(26.71)
Cash (used) in operations		(2,286.16)	(1,520.96)
Net income tax (paid)/refund		(3.35)	18.59
Net cash flow used in operating activities	(A)	(2,289.51)	(1,502.37)
B. Cash flow from investing activities			
Capital expenditure on fixed assets, including capital advances		(1.75)	(12.60)
Proceeds from sale of fixed assets		14.64	-
Loans realised from subsidiary		-	10,720.81
Interest received		-	1,524.60
Bank balances not considered as Cash and cash equivalents			
- Matured (deposits)		-	-
- Placed (deposits)		-	3.53
Purchase of long-term investments in subsidiary		(8,750.00)	(14,570.81)
Current investments in mutual funds			
- Purchased		(1,581.00)	(5,241.00)
- Proceeds from sale		2,148.69	4,665.09
Net cash flow from investing activities	(B)	(8,169.42)	(2,910.38)

		Rs./lacs	
Particulars	Note No.	For the year ended 31 March, 2018	For the year ended 31 March, 2017
C. Cash flow from financing activities			
Issue of preference share capital		9,950.00	3,850.00
Share application money pending allotment		700.00	
Net cash flow used in financing activities	(C)	10,650.00	3,850.00
Net increase/(decrease) in cash and cash equivalents	(A+B+C)	191.07	(562.75)
Cash and cash equivalents at the beginning of the year		89.42	652.17
Cash and cash equivalents at the end of the year*	15	280.49	89.42
Cash and cash equivalents (Refer Note 15)		280.49	89.42
Less: Bank balances not considered as Cash and cash equivalents			
(i) In earmarked accounts			
- Balances held as margin money against guarantees		-	-
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note 15		280.49	89.42
Cash and cash equivalents at the end of the year*			
*Comprises:			
(a) Cash on hand		0.07	0.47
(b) Balances with banks		280.42	88.95
Total		280.49	89.42
See accompanying notes forming part of the financial statements	1 to 31		

In terms of our report attached
For **Ravi Rajan & Co.**
Chartered Accountants
FRN - 009073N

Ravi Kumar
Partner
MRN - 508424

Place : New Delhi
Date : 14 May, 2018

For and on behalf of the Board of Directors

Pradeep Pant
(Director)
DIN No: 00677064

Deepa Sood
(Company Secretary)

Tara Singh Vachani
(Managing Director & CEO)
DIN No: 02610311

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. Corporate information

ANTARA SENIOR LIVING LIMITED ('the Company') is a wholly owned subsidiary of Max India Limited. The Company has been set up to primarily engage in the business of marketing and operation of senior living communities.

2. Significant Accounting Policies

a. Basis of preparation

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

b. Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

c. Cash and cash equivalents (for purposes of Cash flow statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances, (with original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

d. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

e. Depreciation and amortisation

Depreciation amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated value.

Depreciation on tangible fixed assets has been provided on the straight line method as per the useful life prescribed in Schedule II to the Companies Act, 2013

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

Leasehold improvements are amortised over the remaining duration of the lease.

f. 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.

Marketing fees is recognised on rendering of services as per the terms specified in underlying contracts.

g. Other income

Interest income is accounted on accrual basis. Dividend income is accounted when the right to receive it is established.

h. Fixed Assets (Tangible / Intangible)

Fixed assets are carried at cost less accumulated depreciation/amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price, net of any trade discounts and rebates, any import duties

and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Fixed assets acquired and put to use for project purpose are capitalised and depreciation thereon is included in the project cost till the project is ready for its intended use.

Fixed assets acquired in full or part exchange for another asset are recorded at the fair market value or the net book value of the asset given up, adjusted for any balancing cash consideration. Fair market value is determined either for the assets acquired or asset given up, whichever is more clearly evident. Fixed assets acquired in exchange for securities of the Company are recorded at the fair market value of the assets or the fair market value of the securities issued, whichever is more clearly evident.

Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately in the balance sheet.

Capital work-in-progress:

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

i. Foreign currency transactions and translations

Initial recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement at the balance sheet date

Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

Treatment of exchange differences

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

Accounting of forward contracts

Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the Balance Sheet date. Any profit or loss arising on cancellation or renewal of such a forward contract is recognised as income or as expense in the period in which such cancellation or renewal is made.

j. Investments

Long-term investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

k. Employee benefits

Employee benefits include provident fund, gratuity fund, compensated absences and long term incentive.

Defined contribution plan

The Company's contribution to provident fund is considered as defined contribution plan and is charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plan

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in

the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

Long term incentive

The Company has offered a incentive plan for its employees based on achievement of certain individual performance milestones and collective milestones at the Company level. This plan offers a formula based financial incentive to eligible

employees who meet these milestones.

I. Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction /development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

m. Leases

Where the Company as a lessor leases assets under finance leases, such amounts are recognised as receivables at an amount equal to the net investment in the lease and the finance income is recognised based on a constant rate of return on the outstanding net investment.

Assets leased by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

n. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted

average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

o. Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed

depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

p. Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceeds the estimated recoverable amount an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued asset such reversal is not recognised.

q. Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and

it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits are remote. Contingent assets are not recognised in the financial statements.

r. GST input credit

GST input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.

s. Operating cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Note 3 Share capital

Particulars	As at 31 March, 2018		As at 31 March, 2017	
	Number of shares	Amount Rs./lacs	Number of shares	Amount Rs./lacs
(a) Authorised				
Equity share capital	8,000,000	800.00	8,000,000	800.00
Equity shares of Rs. 10 (Previous year Rs. 10) each with voting rights				
Preference share capital	33,300,000	33,300.00	26,800,000	26,800.00
Convertible preference shares of Rs. 100 (Previous year Rs. 100)				
(b) Issued, subscribed and fully paid up				
Equity share capital				
Equity shares of Rs. 10 (Previous year Rs. 10) each with voting rights	8,000,000	800.00	8,000,000	800.00
Preference share capital				
Convertible preference shares of Rs. 100 (Previous year Rs. 100)	28,271,417	28,271.42	18,321,417	18,321.42
		29,071.42		19,121.42

Refer Notes (i) to (v) below

- (i) The Company has one class of equity shares having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, holder 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.
- (ii) Terms of conversion of Compulsorily Convertible Preference Shares ('CCPS')

Tenor	10 years
	1 CCPS to be converted into 10 equity shares at any time within the tenor at the option of the shareholder. In case, the Company decides to go for an IPO or any corporate action including issuance of equity on preferential basis, rights or a bonus issue, the shareholder shall have the right for early/prior conversion.
Coupon	Zero %
Conversion Price	Par value conversion, i.e., 1 CCPS to be converted into 10 equity shares at the time of conversion.

- (iii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2018		As at 31 March, 2017	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares with voting rights of Rs. 10 each				
Max India Limited and its nominees ('holding company')	8,000,000	100.00	8,000,000	100.00
Compulsorily convertible preference shares of Rs. 100 each				
Max India Limited ('holding company')	28,271,417	100.00	18,321,417	100.00

- (iv) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening balance	Shares issued	Closing balance
Equity shares with voting rights of Rs. 10 each			
For the year ended 31 March, 2018			
- Number of shares	8,000,000	-	8,000,000
- Amount (Rs./lacs)	800.00	-	800.00
For the year ended 31 March, 2017			
- Number of shares	8,000,000	-	8,000,000
- Amount (Rs./lacs)	800.00	-	800.00

- (iv) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period (cont'd):

Particulars	Opening balance	Shares issued	Closing balance
Compulsorily convertible preference shares of Rs. 100 each			
For the year ended 31 March, 2018			
- Number of shares	18,321,417	9,950,000	28,271,417
- Amount (Rs./lacs)	183,214.17	99,500.00	282,714.17
For the year ended 31 March, 2017			
- Number of shares	14,471,417	3,850,000	18,321,417
- Amount (Rs./lacs)	144,714.17	38,500.00	183,214.17

- (v) Details of shares held by Max India Limited, the holding company:

Particulars	Aggregate number of shares	
	As at 31 March, 2018	As at 31 March, 2017
Fully paid up equity shares with voting rights	8,000,000	8,000,000
Compulsorily convertible preference shares of Rs. 100 each	28,271,417	18,321,417
(vi) Details of shares application money received pending allotment through Max India Limited, the holding company:		

Particulars	As at 31 March, 2018	As at 31 March, 2017
	Amount Rs./lacs	Amount Rs./lacs
Compulsorily convertible preference shares of Rs. 100 each	700	-

Note 4 Reserves and surplus

Particulars	Rs./lacs	
	As at 31 March, 2018	As at 31 March, 2017
Deficit in Statement of Profit and Loss		
Opening balance	(2,867.85)	(2,435.41)
Add: Loss for the year	(2,017.06)	(432.44)
Total	(4,884.91)	(2,867.85)

Note 5 Other Long-term liabilities

		Rs./lacs	
Particulars		As at 31 March, 2018	As at 31 March, 2017
Others			
(a)	Provision for lease equalisation	-	4.06
Total		-	4.06

Note 6 Long-term provisions

		Rs./lacs	
Particulars		As at 31 March, 2018	As at 31 March, 2017
Provision for employee benefits			
(i)	Provision for compensated absences	74.74	69.05
(ii)	Provision for gratuity (Refer note 24)	82.76	90.10
Total		157.50	159.15

Note 7 Trade payables

		Rs./lacs	
Particulars		As at 31 March, 2018	As at 31 March, 2017
Trade payables - Other than acceptances			
-	total outstanding dues of micro enterprises and small enterprises (Refer note 29)	-	-
-	total outstanding dues of creditors other than micro enterprises and small enterprises	108.22	168.56
Total		108.22	168.56

Note 8 Other current liabilities

		Rs./lacs	
Particulars		As at 31 March, 2018	As at 31 March, 2017
(a)	Other payables		
(i)	Statutory dues	75.52	29.86
(ii)	Retention money payable	0.04	-
(iii)	Security deposits received	17.20	31.75
(iv)	Provision for lease equalisation	1.38	1.94
(v)	Payable to related party	3.14	-
Total		97.28	63.55

Note 9 Short-term provisions

		Rs./lacs	
Particulars		As at 31 March, 2018	As at 31 March, 2017
(a)	Provision for employee benefits		
(i)	Provision for compensated absences	0.99	3.88
(ii)	Provision for gratuity (Refer note 24)	0.96	1.07
(iii)	Current portion of provision for long term incentive	-	135.00
Total		1.95	139.95

Note 10 Fixed assets

Particulars		Gross block				Accumulated depreciation and amortisation				Net block	
		As at 1 April, 2017	Addi- tions	Dele- tions/ adjust- ments	As at 31 March, 2018	As at 1 April, 2017	Depre- ciation and amor- tisation expense for the year	Dele- tions/ adjust- ments	As at 31 March, 2018	As at 31 March, 2018	As at 31 March, 2017
Rs./lacs	Rs./lacs	Rs./lacs	Rs./lacs	Rs./lacs	Rs./lacs	Rs./lacs	Rs./lacs	Rs./lacs	Rs./lacs	Rs./lacs	
A	TANGIBLE ASSETS - OWNED										
(a)	Leasehold improvements	140.16	-	140.16	0.00	140.16	-	140.16	-	-	-
(b)	Computers	54.65	0.03	1.75	52.93	45.21	2.49	1.66	46.04	6.89	9.44
(c)	Furniture and fixtures	59.20	0.31	-	59.51	17.44	5.70	-	23.14	36.37	41.76
(d)	Vehicles	128.28	-	46.62	81.66	57.81	13.84	30.01	41.64	40.02	70.47
(e)	Office equipment	42.42	1.05	-	43.47	28.78	9.79	-	38.57	4.90	13.64
	Total (A)	424.71	1.39	188.53	237.57	289.40	31.82	171.83	149.39	88.18	135.31
B	INTANGIBLE ASSETS										
(a)	Computer software	62.84	0.76	-	63.60	44.49	9.75	-	54.24	9.36	18.35
(b)	Films and videos	92.14	-	-	92.14	92.14	0.00	-	92.14	-	-
	Total (B)	154.98	0.76	-	155.74	136.63	9.75	-	146.38	9.36	18.35
	Total (A+B)	579.69	2.15	188.53	393.31	426.03	41.57	171.83	295.77	97.54	153.66

Amounts in italics represent previous year's figures.

Note 11 Non-current investments

Particulars	As at 31 March, 2018		As at 31 March, 2017	
	Unquoted	Amount	Unquoted	Amount
	Nos.	Rs./lacs	Nos.	Rs./lacs
Investments (At cost)				
Trade investment (unquoted) in equity instruments				
Investment in fully paid up equity shares of Rs. 10 each in wholly owned subsidiary - ANTARA PURUKUL SENIOR LIVING LIMITED	241,427,089	24,167.81	153,927,089	15,417.81
Investment in fully paid up equity shares of Rs. 10 each in wholly owned subsidiary - Antara Gurgaon Senior Living Limited	50,000	5.00	50,000	5.00
Total	241,477,089	24,172.81	153,977,089	15,422.81
Note:				
Aggregate amount of non-current unquoted investments		24,172.81		15,422.81

Note 12 Long-term loans and advances

		Rs./lacs	
Particulars		As at 31 March, 2018	As at 31 March, 2017
(a) Security deposits - Unsecured, considered good		30.54	81.25
(b) Advance income tax (net of provisions Rs. Nil (Previous year Rs. Nil) - Unsecured, considered good		98.34	94.99
Total		128.88	176.24

Note 13 Current investments

Particulars	As at 31 March, 2018		As at 31 March, 2017	
	No of units	Rs./lacs	No of units	Rs./lacs
Investment in mutual funds (unquoted)				
(a) Liquid Funds				
Axis Liquid fund - Direct growth (CFDGG)	4,498.07	84.57	34,947.75	625.41
Total		84.57		625.41
Note:				
Aggregate amount of current unquoted investments		85.50		625.41

Note 14 Trade Receivable

		Rs./lacs	
Particulars		As at	As at
		31 March, 2018	31 March, 2017
A Unsecured, considered good unless stated otherwise			
Unsecured, considered good more than 6 months			
Unsecured, considered good less than 6 months		0.51	-
Doubtful			
		0.51	-
Provision for doubtful receivables			
Total Cash and cash equivalents (A+B)		0.51	-

Note 15 Cash and cash equivalents

		Rs./lacs	
Particulars		As at	As at
		31 March, 2018	31 March, 2017
A Cash and cash equivalents (as per AS 3 Cash Flow Statements)			
(a) Cash on hand		0.07	0.47
(b) Balances with banks			
(i) In current accounts		280.42	88.95
Total - Cash and cash equivalents (as per AS 3 Cash Flow Statements) (A)		280.49	89.42
Total Cash and cash equivalents		280.49	89.42

Note 16 Short-term loans and advances

		Rs./lacs	
Particulars		As at	As at
		31 March, 2018	31 March, 2017
(a) Loans and advances to employees - Unsecured, considered good		0.99	-
(b) Prepaid expenses - Unsecured, considered good		12.09	15.60
(c) Advance to suppliers - Unsecured, considered good		1.15	5.05
(d) Balances with government authorities - Unsecured, considered good			
(i) Tax credit receivable		406.53	299.11
(e) Loans and advances to related parties			
- Unsecured, considered good		1.80	1.14
Total		422.56	320.90

Note 17 Other current assets

Particulars	Rs./lacs	
	As at 31 March, 2018	As at 31 March, 2017
Employee benefits receivable from related party	64.10	-
Total	64.10	-

Note 18 Revenue from operations

Particulars	Rs./lacs	
	For the year ended 31 March, 2018	For the year ended 31 March, 2017
(a) Sale of services - Marketing fees	66.96	69.03
Total	66.96	69.03

Note 19 Other income

Particulars	Rs./lacs	
	For the year ended 31 March, 2018	For the year ended 31 March, 2017
(a) Interest income		
(i) Interest from banks on deposits	-	0.06
(ii) Interest on loans	-	1,021.94
(iii) Interest on income tax refund	-	3.96
	-	1,025.96
(b) Net gain on sale of current investments in mutual funds	26.85	49.34
(c) Miscellaneous income	-	2.79
Total	26.85	1,078.09

Note 20 Employee benefits expense

Particulars	Rs./lacs	
	For the year ended 31 March, 2018	For the year ended 31 March, 2017
(a) Salaries and wages	1,017.13	557.21
(b) Contributions to provident fund	42.34	25.10
(c) Gratuity expense	6.11	21.40
(d) Staff welfare expenses	113.05	25.63
Total	1,178.63	629.34

Note 21 Other expenses

Particulars	Rs./lacs	
	For the year ended 31 March, 2018	For the year ended 31 March, 2017
(a) Commission and brokerage	20.45	9.83
(b) Marketing expenses	5.93	302.41
(c) Electricity charges	19.77	10.53
(d) Rent including lease rentals (Refer note 27)	211.69	189.69
(e) Repairs and maintenance - Others	50.23	20.89
(f) Insurance	1.80	6.15
(g) Rates and taxes	59.02	6.73
(h) Communication	18.48	11.49
(i) Travelling and conveyance	78.71	76.21
(j) Printing and stationery	3.62	28.52
(k) Security expense	10.69	5.65
(l) Legal and professional	329.04	175.99
(m) Directors sitting fees	28.15	28.00

		Rs./lacs	
Particulars		For the year ended 31 March, 2018	For the year ended 31 March, 2017
(n) Payments to auditors (refer note below)		3.00	6.24
(o) Loss on sale of fixed assets		2.06	-
(p) Miscellaneous expenses		48.03	26.86
Total		890.67	905.19
Note			
Payments to auditors (excl GST input credit)			
a. Statutory audit fee		3.00	6.00
b. Out of pocket expenses		-	0.24
		3.00	6.24

Note 22: Additional information to the financial statement

		(Rs./lacs)	
Particulars		As at 31 March, 2018	As at 31 March, 2017
22.1 Contingent liabilities			
a) Corporate Guarantee		22,000	27,700
b) The Company does not have any pending litigations which would impact its financial position.			
22.2 Commitments			
General administration expenses		0.55	-

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

22.4 There were no amounts which were required to be transferred to the Investor Education and Protection fund by the Company.

23. Expenditure in Foreign Currency (on accrual basis)

		(Rs./lacs)	
Particulars		For the year ended 31 March, 2018	For the year ended 31 March, 2017
Legal and professional		6.43	-
Travelling and conveyance		2.83	-
Directors sitting fees		9.83	13.78
Staff welfare		10.07	-
		29.16	13.78

Disclosures under Accounting Standards**24. Retirement benefit plans****(i) Defined contribution plans**

The Company makes provident fund contribution which is a defined contribution plan for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

The Company recognised Rs. 42.34 lacs (Previous year Rs. 25.10 lacs) for provident fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules to the scheme.

(ii) Defined benefit plans

The gratuity liability arises on retirement, withdrawal, resignation and death of an employee. The aforesaid liability is calculated on the basis of one month salary (i.e. last drawn basic salary plus dearness allowance) for each completed year of service subject to completion of five years of service except in case of death of employee in service.

The following tables set out the unfunded status of the defined benefit scheme and amounts recognised in the Company financial statements as at the year end:

Particulars	(Rs./lacs)	
	Year ended 31 March, 2018	Year ended 31 March, 2017
Components of employer expense		
Current service cost	14.72	12.87
Interest cost	6.70	5.58
Expected return on plan assets	-	-
Actuarial losses/(gains)	(15.31)	2.95
Settlement cost / (credit)	-	-
Total expense recognised in the Statement of Profit and Loss	6.11	21.40
Actual contribution and benefit payments for year		
Actual benefit payments	-	-
Actual contributions	-	-
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	83.73	91.17
Fair value of plan assets	-	-
Net asset / (liability) recognised in the Balance Sheet	(83.73)	(91.17)
Net liability has been classified under:		
Long-term provisions	82.76	90.10
Short-term provisions	0.96	1.07
Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year	91.17	69.77
Current service cost	14.72	12.87
Interest cost	6.70	5.58
Plan assets at beginning of the year	(15.31)	2.95
Benefits paid	(22.43)	-
Acquisition adjustment	8.88	-
Present value of DBO at the end of the year	83.73	91.17
Principal actuarial assumptions for gratuity and compensated absences:		
Discount rate (Refer note 'a' below)	7.80%	7.35%
Expected return on plan assets	-	-
Salary escalation (Refer note 'b' below)	10.00%	10.00%
Retirement age	60 years	60 years
Mortality tables	IALM (2006 - 08)	IALM (2006 - 08)
Attrition (%)		
Ages:		

Particulars	(Rs./lacs)	
	Year ended 31 March, 2018	Year ended 31 March, 2017
Upto 30 years	3	3
From 31 to 44 years	2	2
Above 44 years	1	1
Estimate of amount of contribution in the immediate next year (Rs./lacs)	24.44	20.85

Notes:

- The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of obligations.
- The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.
- The gratuity plan is unfunded.
- Experience on actuarial gain/(loss) for benefit obligations and plan assets:

Particulars	(Rs./lacs)				
	Gratuity				
	31 March, 2018	31 March, 2017	31 March, 2016	31 March, 2015	31 March, 2014
Present value of DBO	83.73	91.17	69.77	48.46	8.30
Fair value of plan assets	-	-	-	-	-
Funded status [Surplus / (Deficit)]	(83.73)	(91.17)	(69.77)	(48.46)	(8.30)
Experience gain / (loss) adjustments on plan liabilities	9.06	3.17	(5.65)	(10.86)	(0.54)
Experience gain / (loss) adjustments on plan assets	-	-	-	-	-

- Experience adjustments have been disclosed from the year for which information is available.

25. Related party disclosures**List of related parties:**

Holding Company	1. Max India Limited (formerly known as 'Taurus Ventures Limited')
Subsidiary Companies	1. ANTARA PURUKUL SENIOR LIVING LIMITED 2. Antara Gurgaon Senior Living Limited
Fellow Subsidiaries	1. Pharmax Corporation Limited
Enterprise over which director or his relative is able to exercise significant influence or control (Mr. Analjit Singh)	1. New Delhi House Services Limited
Key Managerial Personnel	1. Ms. Tara Singh Vachani

25.1 Details of related party transactions during the year:

Particulars	(Rs. in lacs)				Total
	Subsidiary Company			Key Managerial Personnel	
	ANTARA PURUKUL SENIOR LIVING LIMITED	Pharmax Corporation Limited	New Delhi House Services Limited	Ms. Tara Singh Vachani	
Transactions during the year					
Sale of services- Marketing fees	66.96	-	-	-	66.96
	(69.03)	(-)	(-)	(-)	(69.03)
Interest income on loans	-	-	-	-	-
	(1,021.94)	(-)	(-)	(-)	(1,021.94)
Managerial remuneration	-	-	-	158.72	158.72
	(-)	(-)	(-)	(117.57)	(117.57)
Staff welfare expenses	-	-	32.67	-	32.67
	(-)	(-)	(9.30)	(-)	(9.30)
Electricity charges	-	-	52.52	-	52.52
	(-)	(-)	(13.68)	(-)	(13.68)
Rent including lease rental	2.90	67.72	-	-	70.61
	(-)	(22.29)	(-)	(-)	(22.29)
Loan received back by the Company	-	-	-	-	-
	(-)	(10,720.81)	(-)	(-)	(10,720.81)
Corporate guarantee given	22,000.00	-	-	-	22,000.00
	(-)	(-)	(-)	(-)	(-)
Balances outstanding at the end of year					
Trade payables	-	-	8.20	-	8.20
	(-)	(-)	(1.32)	(-)	(1.32)
Trade receivables	0.51	-	-	-	0.51
	(-)	(-)	-	(-)	-
Other current liabilities	2.71	-	-	-	2.71
	(-)	(-)	-	(-)	-
Long term loans and advances					
i. Security deposit given	-	11.15	-	-	11.15
	(-)	(11.15)	(-)	(-)	(11.15)
Corporate guarantees given at the year end	22,000.00	-	-	-	22,000.00
	(27,700.00)	(-)	(-)	(-)	(27,700.00)

Note: Figures in brackets pertain to previous year

26. Segment Note

As the Company's business activity primarily falls within a single business and geographical segment, there are no additional disclosures to be provided in terms of Accounting Standard 17 on 'Segment Reporting'.

27. Lease commitments**Obligations towards operating leases (As lessee)**

The Company has entered into operating lease arrangements for certain facilities and office premises. Rent expense of Rs. 211.69 lacs (Previous year: Rs. 189.69 lacs) has been charged to the Statement of Profit and Loss in respect of cancellable operating leases.

28. Earnings per share

Particulars	For the year ended 31 Mar, 2018	For the year ended 31 March, 2017
Basic and Diluted EPS		
Net loss attributable to shareholders (Rs./lacs)	(2,017.06)	(432.44)
Weighted average number of equity shares in issue (Nos.)	8,000,000	8,000,000
Basic earnings per share (Rs.)		
- Basic and Diluted	(25.21)	(5.41)
Face value per equity Share (Rs.)	10.00	10.00

Note: The conversion effect of equivalent potential dilutive equity shares are anti dilutive in nature and hence the effect of potential equity shares is ignored in calculating diluted earnings per share.

29. Disclosures as per Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

Based on the information available with the Company, the balance due to Micro and small enterprises as defined under the MSMED Act, 2006 is Rs. Nil (Previous year Rs. Nil) and no interest has been paid or is payable under the terms of the MSMED Act, 2006. Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

30. The Company has carried out its tax computation in accordance with the mandatory standard on accounting, Accounting Standard 22 'Accounting for Taxes on Income'. In view of absence of virtual certainty of realisation of unabsorbed tax losses, deferred tax assets on unabsorbed tax losses has not been recognised.

31. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

**ANTARA PURUKUL
SENIOR LIVING LIMITED**

DIRECTORS' REPORT

Your Directors have the pleasure in presenting the 23rd Annual Report together with the Audited Accounts for the financial year ended March 31, 2018.

Financial Performance

The financial highlights of your Company for the year under review are given below:

	(₹ in Lacs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Total Income	1517.98	57.82
Total expenses	2419.88	2627.15
EBITDA	(901.9)	(2569.33)
Less: Depreciation	1475.93	64.15
Less: Finance cost	3486.14	806.31
Profit / (Loss) Before Tax	(5863.97)	(3439.79)
Less : Tax expense	-	-
Profit / (Loss) After Tax	(5863.97)	(3439.79)

Antara Senior Living Community at Dehradun ("Community") got operationalised on April 15, 2017. Considering, the lease of apartments is recorded as operating leases, all costs incurred on the Community and directly attributable to the Community as on that date has been capitalized. During the financial year under review, the Company registered a net loss amounting to ₹ 5863.97 lakhs.

Review of Operations

The Community became operational in April, 2017. During the financial year under review, over 50 residents moved into their apartments. The Company focused on stabilization of operations of the Community. The operations team worked very closely with the projects execution team to complete a seamless handover from them.

All the spaces in the Community became operational, both hardware and software aspects of the Community have been in place to offer all the services to residents as envisaged to them at concept stage.

Residents are able to enjoy a range of health and wellness services throughout the day. They are further engaged with various activities tailored for them. The Community offers various cuisine options in diverse spaces. The Antara Wellness Centre offers clinical as well as holistic wellness services to its residents, managed by the in-house operations team.

The holding Company, M/s Antara Senior Living Limited (**Antara Senior**), continues to render booking and marketing services to the Company. Marketing efforts were channelized towards generating footfall at the Community alongwith focused and quality leads through the most effective avenues. The Community won accolades at the Ageing Asia Awards for best 'Silver Interior Design'.

Operational Initiatives

After the commencement of operations of Dehradun Community, there has been focus towards achieving financial sustainability on both revenue as well as cost fronts. Various footfall generating activities like tie up with event management companies, collaboration within groups, experience Antara campaign, etc. have begun to generate revenues for Dehradun Community. Efforts are ongoing to also achieve operational efficiencies and cost savings.

During the financial year under review, Antara Club membership was also launched which has received a good response.

Future Outlook

Your Company's focus will continue to generate revenues and minimize costs so as to make the Community self-sustainable. In this direction various marketing efforts are being curated to increase the footfall. The Company will continue to build its brand positioning and product awareness amongst the target customers through community visits and experiential stays.

Dividend

Your Directors have not recommended any dividend for the year under review in view of loss incurred by the Company.

Share Capital

During the financial year under review, the Company raised its Authorized Share Capital from ₹ 175,00,00,000 (Rupees One Hundred Seventy Five Crores only) divided into 17,50,00,000 (Seventeen Crores and Fifty Lakhs only) Equity Shares of ₹ 10/- each to ₹ 260,00,00,000 (Rupees Two Hundred Sixty Crores only) divided into 26,00,00,000 (Twenty Six Crores only) Equity Shares of ₹ 10/- each ranking pari passu in all respect with the existing Equity Shares of the Company.

The Company had allotted equity shares by way of right's issue to the existing equity shareholder, Antara Senior.

As on the date of Report, the paid-up share capital of the Company was ₹246,42,70,890/- divided into 24,64,27,089 Equity Shares of ₹10/- each.

The entire paid-up share capital of the Company is held by Antara Senior by itself (partially in dematerialized form) and through its nominee shareholders (in physical form).

Material change affecting the financial position of the Company since March 31, 2018 to the date of the Report

There is no material change affecting the financial position of the Company since March 31, 2018 to the date of Report.

Transfer to Reserves

The Company does not propose to transfer any amount to the reserves.

Board of Directors

Pursuant to Section 161 of the Companies Act, 2013 (Companies Act) read with Articles of Association of the Company, Mr. Jatin Khanna was co-opted as additional director on the Board of the Company effective October 30, 2017 and upto date of ensuing Annual General Meeting (AGM).

Your Company has further received recommendation under Section 160 of the Companies Act from the Board proposing the candidature of Mr. Jatin Khanna for being appointed as the Director of the Company, subject to approval of shareholders of the Company. Necessary resolution seeking such approval of the members has been incorporated in the Notice of the ensuing AGM.

Further, Mr. Pradeep Pant and Mrs. Sharmila Tagore resigned as the Independent Directors of the Company effective October 30, 2017. Your Directors place on record their appreciation for the valuable contributions by Mr. Pant and Mrs. Tagore during their association with the Company.

In accordance with the requirement of the Companies Act, Mrs. Tara Singh Vachani, Director of the Company is liable to retire by rotation at the ensuing AGM and being eligible, has offered herself for re-appointment.

Brief resume, nature of expertise, details of directorships held in other companies of the Directors proposed to be re-appointed along with their shareholding in the Company as stipulated under Secretarial Standard 2 is appended as an annexure to the Notice of the ensuing AGM.

Key Managerial Personnel

As on the date of this Report, Mr. Jishnu Veliyath, Manager and Ms. Ashima Jain, Company Secretary are the Key Managerial Personnels (KMP) of the Company,

pursuant to the provisions of the Companies Act.

During the year under review, Mr. AVK Rao resigned from the office of CFO and KMP of the Company with effect from March 31, 2018 due to personal reason. Your Directors place on record their appreciation for the contribution made by Mr. AVK Rao during his association with the Company.

The Board of Directors at its meeting held on July 23, 2018 designated Mr. Ajay Agarwal as CFO and KMP of the Company effective August 1, 2018.

Board Evaluation

Keeping in view the requirements of Companies Act as amended from time to time, on Board evaluation, Board of Directors approved the performance evaluation process elaborating various aspects of evaluation that helps the Board to derive the best possible benefit and achieve the objective of the entire process. Customised questionnaires were circulated, responses were analyzed and the results of evaluation were subsequently discussed by the Board. Recommendations arising from the evaluation process will be considered by the Board to optimise its effectiveness.

Committees of the Board

The Company had following Board Committees:

- i. Audit Committee
- ii. Nomination & Remuneration Committee (NRC)

Ministry of Corporate Affairs vide its Notification dated July 13, 2017 amended Rule 6 of the Companies (Meetings of the Board and Powers) Rules, 2014 and dispensed the requirement of constitution of Audit Committee and NRC for unlisted public wholly owned subsidiary(ies). Pursuant to which, the Board in its meeting dated October 30, 2017 dissolved its above mentioned Committees.

Until October 30, 2017, the composition of the Audit Committee and NRC and details of attendance of the member at the meetings held during the year are given below:

Name and designation of Audit Committee members	Category	No. of Audit Committee Meetings Convened upto Oct 30, 2017	
		Held during the tenure	Attended
Mr. Pradeep Pant	Independent Director	3	3
Mrs. Sharmila Tagore	Independent Director	3	3
Mr. Rohit Kapoor	Non-Executive Director	3	2

The Board had accepted all recommendations made by the Audit Committee during its existence.

Name and designation of members of NRC	Category	No. of NRC Meetings Convened upto Oct 30, 2017	
		Held during the tenure	Attended
Mrs. Tara Singh Vachani	Chairperson Non-Executive Director	2	2
Mr. Pradeep Pant	Independent Director	2	2
Mrs. Sharmila Tagore	Independent Director	2	2

Internal Financial Controls

Your Company's internal systems are adequate and commensurate with the size of its operations. These controls ensure that transactions are authorized, recorded and reported on time. They ensure that assets are safe guarded and protected against loss or unauthorized disposal.

The internal auditors carried out audits in different areas of your Company's operations. Post-audit reviews were carried out to ensure that audit recommendations were implemented. The Board (*earlier Audit Committee*) reviewed the audit program and findings of the internal audit.

Auditors and Auditors' Report

Statutory Auditor

In terms of the provisions of Section 139 of the Companies Act read with Rules made thereunder, term of M/s. Ravi Rajan & Co., Chartered Accountants, the Statutory Auditors of the Company expires at the conclusion of the ensuing AGM.

The Board has recommended the re-appointment of M/s. Ravi Rajan & Co., Chartered Accountants as the Statutory Auditors of the Company for a term of five (5) consecutive years from the conclusion of 23rd AGM till the conclusion of 28th AGM, for approval of the Shareholders. M/s. Ravi Rajan & Co., Chartered Accountants have confirmed their eligibility to act as Statutory Auditors of the Company.

Statutory Auditors' Report

All observations made in the Statutory Auditors' Report and notes to the accounts are self-explanatory and do not contain any adverse remarks or qualification from the Statutory Auditors and thus not call for any further comments under Section 134 of the Companies Act.

There are no audit qualifications or reporting of fraud in the Statutory Auditors Report given by M/s Ravi Rajan & Co., Statutory Auditors of the Company for the financial year 2017-18 as annexed in the Annual Report.

Secretarial Auditor

Pursuant to Section 204 of the Companies Act, your Company has appointed M/s P.C Jain & Co., Company Secretaries as its Secretarial Auditor to conduct Secretarial Audit for the financial year 2017-18. The Secretarial Audit Report for financial year ended March 31, 2018 is annexed herewith marked as **Annexure-1** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remarks.

Disclosures:

Number of meetings of Board of Directors and its Committees

The Company prepares a calendar of meetings of the Board in advance so as to allow the Directors to block their calendars. During the year under review, the Board of Directors duly met five times on May 24, 2017, July 25, 2017, October 30, 2017, December 22, 2017 and February 07, 2018.

Until the existence of the Board Committee(s) i.e. October 30, 2017, Audit Committee met three times on May 24, 2017, July 25, 2017 and October 30, 2017. Nomination and Remuneration Committee met two times on April 3, 2017 and July 25, 2017.

Proper notices were given for the above-mentioned meetings and the proceedings were properly recorded and signed minutes were maintained in the minutes book.

Particulars of the Loans, Investment or Guarantees

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act are given in the notes to the Financial Statements.

Particulars of Contracts or Arrangements with Related Parties

All arrangements / transactions entered into by the Company with its related parties during the year were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any transactions with related parties which could be considered material in terms of Section 188 of the Companies Act and accordingly the disclosure of Related Party Transactions in Form AOC-2 is not applicable. However, names of Related Parties and details of transactions with them during the financial year 2017-18 is annexed herewith marked as

Annexure-2 to this Report.**Vigil Mechanism**

The Company endeavors to maintain the highest standards of professionalism, integrity and ethical behavior in the conduct of the affairs of its constituents in a fair and transparent manner.

Pursuant thereto, the Company had “whistleblower policy or a vigil mechanism” in place which was amended by the Board in its meeting held on October 30, 2017. In accordance with the Policy, the directors and employees can report their concerns about unethical behavior, actual or suspected fraud, or violation of our Code of Conduct and Ethics.

The Company had created Email ID speakup@antaraseniorliving.com for team members to reach out. Drop boxes are also installed at different office locations for anonymous complaints.

During the financial year under review, no complaints were received by the Company.

Public Deposits

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

Risk Management Policy

Your Company has implemented a risk management policy adopted by the Board of Directors for assessing the key risks faced by the organization such as strategic, financial, credit, market, liquidity, information technology, legal, regulatory and other risks.

Every quarter, the Board (earlier the Audit Committee) reviewed the principal risks and uncertainties that can impact the ability of the Company to achieve its strategic objectives and seek measures to minimize the adverse impact of these risks.

There are no risks which in the opinion of the Board may threaten the existence of the Company.

Conservation of Energy and Technology Absorption

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

a) Conservation of Energy

- (i) the steps taken or impact on conservation of energy: Regular efforts are made to conserve the energy through various means such as

use of low energy consuming lightings, using energy efficient equipment incorporating latest technology and regular maintenance etc. Smart electricity saving plan have been introduced by managing lights in corridors and other Community areas. Switching lights on timers and introducing sensors in basement are some other initiatives being taken by the Company.

- (ii) the steps taken by the Company for using alternate sources of energy: Since your Company is not an energy intensive unit, utilization of alternate source of energy may not be feasible.

- (iii) Capital investment on energy conservation equipment: Nil

b) Technology Absorption

Your Company is not engaged in manufacturing activities, therefore there is no specific information to be furnished in this regard.

There was no expenditure incurred on Research and Development during the period under review.

c) Foreign Exchange Earnings and Outgo

The foreign exchange earnings and outgo are given below:

Total Foreign Exchange earned: Nil

Total Foreign Exchange used: ₹ 8.40 Lacs

(₹ in Lakhs)		
PARTICULARS	2017-18	2016-17
Foreign Exchange Outgo		
Legal and Professional	-	606.17
Others	-	5.95
Director's Sitting Fees	6.27	9.80
Travelling and Conveyance	-	2.30
Capital Work in Progress	2.13	602.35
Total	8.40	1226.57

Extract of Annual Return

Extract of Annual Return in Form No. MGT-9 as provided under Section 92(3) of the Companies Act is annexed herewith as **Annexure-3** to this report.

Secretarial Standards

Your Directors confirm compliance of all applicable Secretarial Standards during the financial year 2017-18.

Particulars of Employees

The information required under Rule 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the **Annexure- 4** to this Report. None of the employees listed in the said Annexure is related to any Director of the Company.

Prevention of Sexual Harassment of Women at Workplace

The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

No case under the said Act has been reported during the financial year under review.

Directors' Responsibility Statement

Pursuant to the requirement under Section 134(5) of the Companies Act, with respect to Directors' Responsibility Statement, your Directors confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d. the directors have prepared the annual accounts on a going concern basis; and
- e. the directors, have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Acknowledgement

Your Directors would like to express their sincere appreciation to the various government departments, its stakeholders, bankers, service partners and all its business associates for their co-operation and support extended to the Company. Your Directors also wish to express their gratitude to the management and its team members for their hard work, dedication and commitment during the year under review.

By the order of the Board For Antara Purukul Senior Living Limited

Sd/-	Sd/-
Tara Singh Vachani	Rohit Kapoor
Director	Director
DIN No. 02610311	DIN No. 06529360

Place: New Delhi
Date: July 23, 2018

ENCLOSURES:

Annexure-1: Secretarial Auditor Report for financial year 2017-18

Annexure-2: List of Related Party Transactions for financial year 2017-18

Annexure-3: Extract of Annual Return of the Company

Annexure-4: Particulars of Employees and their remuneration

Form No. MR-3

SECRETARIAL AUDIT REPORTFOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and rule

No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Antara Purukul Senior Living Limited
"Max House" 1, Dr. Jha Marg,
Okhla Phase-III, New Delhi- 110 020

We have conducted the Secretarial Audit of compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Antara Purukul Senior Living Limited CIN: U74120UR1995PLC018283 (hereinafter called "the Company")**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under **(Not applicable during the period under review.)**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under **(Not applicable during the period under review.)**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct

Investment and External Commercial borrowings.

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):- **(Not applicable during the period under review.)**
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) Other laws which are specifically applicable to the Company such as-
 - (a) The Building and other Construction Workers (Regulation of Employment & Conditions of Service) Act, 1996 and rules made there under.
 - (b) The Building and other Construction Workers Welfare Cess Act, 1996.
 - (c) Uttaranchal Building and Other Construction Workers (Regulation of Employment and Condition of Service) Rules, 2005.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.
- (ii) Being an unlisted company, no listing agreement is required to be entered with any Stock Exchange(s).

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

We further report that during the audit period following specific events/ actions were taken by the Company

which have major bearing on the Company's affairs in pursuance of the acts, rules, regulations, guidelines, standards etc. referred above:-

1. The Company has amended its Memorandum of Association in respect of capital clause by way of increase in its Authorized Share Capital in its Extra Ordinary General Meeting held on 7th February, 2018 from Rs. 175,00,00,000 divided into 17,50,00,000 equity shares of Rs. 10/- each to Rs. 260,00,00,000 divided into 26,00,00,000 equity shares of Rs.10/- each.
2. The Company has allotted 8,75,00,000 equity shares of Rs. 10/- each amounting to Rs. 87,50,00,000/- to Antara Senior Living Ltd, the existing equity shareholders of the Company on right basis vide its circular resolution dated 31st March, 2018.
3. The Company has availed a Rupee Term Loan Facility amounting to Rs. 208 crore and Line of Credit Facility to the extent of Rs. 12 crore from Aditya Birla Finance Limited during the year under review. The Company has created charges in respect of these financial borrowings in favor of Aditya Birla Finance Limited during the year under review.

For P. C. Jain & Co.
Company Secretaries
(FRN: P2016HR051300)

Date: 3rd May, 2018
Place: Faridabad

Sd/-
(P C Jain)
Partner
CP No. 3349
FCS 4103

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

'Annexure A'

To,
The Members,
Antara Purukul Senior Living Limited
Max House 1, Dr. Jha Marg, Okhla
New Delhi-110020

Sir,

Our Secretarial Audit Report for the financial year 2017-18 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records, personal records of employee(s) and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For P. C. Jain & Co.

Company Secretaries
(FRN: P2016HR051300)

Date: 3rd May, 2018
Place: Faridabad

Sd/-
(P C Jain)
Partner
CP No. 3349
FCS 4103

Annexure-2**List of Related Party Transactions for the Financial Year 2017-18**

Particulars	(Rs. in Lacs)				
	Ultimate holding company	Holding company	Fellow Subsidiaries	Enterprise over which director or his relative is able to exercise significant influence or control	Total
	Max India Limited	Antara Senior Living Limited	Pharmax Corporation Limited	New Delhi House Services Limited	
Transactions during the year					
Staff welfare expenses	-	-	-	1.71	1.71
	(-)	(-)	(-)	(22.94)	(22.94)
Interest expense on borrowings	858.02	-	-	-	858.02
	(632.37)	(1,021.94)	(-)	(-)	(1,654.31)
Sales commission	-	78.27	-	-	78.27
	(-)	(78.70)	(-)	(-)	(78.70)
Electricity charges	-	-	-	1.30	1.30
	(-)	(-)	(-)	(17.94)	(17.94)
Rent including lease rentals	-	2.23	13.00	-	15.23
	(-)	(-)	(78.54)	(-)	(78.54)
Repair and maintenance - others	-	-	-	5.74	5.74
	(-)	(-)	(-)	(34.69)	(34.69)
Loan taken by the Company	3,300.00	-	-	-	3,300.00
	(1,900.00)	(-)	(-)	(-)	(1,900.00)
Loan repaid by the Company	8,750.00	-	-	-	8,750.00
	(-)	(10,720.81)	(-)	(-)	(10,720.81)
Corporate guarantee given	22,000.00	22,000.00	-	-	44,000.00
	(27,700.00)	(27,700.00)	(-)	(-)	(55,400.00)
Balance outstanding at the end of year					
Long-term borrowings					
Term loans from related parties	700.00	-	-	-	700.00
	(6,150.00)	(-)	(-)	(-)	(6,150.00)
Trade payables	-	-	-	-	-
	(-)	(-)	(-)	(1.48)	(1.48)
Other current liabilities	0.91	0.51	-	-	1.42
	(-)	(-)	(-)	(-)	(-)
Other current assets		2.71			
Long term loans and advances					
Security deposit given	-	-	8.00	-	8.00
	(-)	(-)	(8.00)	(-)	(8.00)
Corporate guarantee	22,000.00	22,000.00	-	-	44,000.00
	(27,700.00)	(27,700.00)	(-)	(-)	(55,400.00)

Note: Figures in brackets pertain to previous year

For and on behalf of Board
Antara Purukul Senior Living LimitedPlace: New Delhi
Date: July 23, 2018Sd/-
Tara Singh Vachani
Director
DIN No.: 02610311Sd/-
Rohit Kapoor
Director
DIN No.: 06529360

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on Financial Year ended on 31.03.2018

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	U74120UR1995PLC018283
ii	Registration Date	21/06/1995
iii	Name of the Company	ANTARA PURUKUL SENIOR LIVING LIMITED
iv	Category/Sub-category of the Company	UNLISTED PUBLIC COMPANY
v	Address of the Registered office & contact details	ANTARA SENIOR LIVING, GUNIYAL GAON, P.O. - SINOLA, DEHRADUN, UTTARAKHAND 248003 IN
vi	Whether listed company	NO
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 PH: 011-26387281 FAX: 011-26387384

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Real Estate Activities with owned or leased property	NIC Code 2008 6810	100

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

SI No.	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	ANTARA SENIOR LIVING LIMITED	U74140DL2011PLC218781	HOLDING	100	2(46)

IV (i) SHAREHOLDING PATTERN (Equity Share capital Break up as % 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									
b) Central Govt.or State Govt.									
c) Bodies Corporates	8,218,994	145,708,095	153,927,089	100	8,218,994	233,208,095	241,427,089	100	56.84
d) Bank/FI									

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	
e) Any other									
SUB TOTAL:(A) (1)	8,218,994	145,708,095	153,927,089	100	8,218,994	233,208,095	241,427,089	100	56.84
(2) Foreign									
a) NRI- Individuals									
b) Other Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other									
SUB TOTAL (A) (2)									
Total Shareholding of Promoter	8,218,994	145,708,095	153,927,089	100	8,218,994	233,208,095	241,427,089	100	56.84
(A)= (A)(1)+ (A)(2)									
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds									
b) Banks/FI									
c) Central govt									
d) State Govt.									
e) Venture Capital Fund									
f) Insurance Companies									
g) FIIS									
h) Foreign Venture Capital Funds									
i) Others (specify)									
SUB TOTAL (B)(1):									
(2) Non Institutions									
a) Bodies corporates									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs									
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs									
c) Others (specify)									
SUB TOTAL (B)(2):									
Total Public Shareholding									
(B)= (B)(1)+ (B)(2)									
C. Shares held by Custodian for GDRs & ADRs	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
Grand Total (A+B+C)	8,218,994	145,708,095	153,927,089	100	8,218,994	233,208,095	241,427,089	100	56.84

NOT APPLICABLE

(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	ANTARA SENIOR LIVING LIMITED	153927089	100	0	241427089	100	0	56.84%
	Total	153927089	100	0	241427089	100	0	56.84%

(iii) 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
	At the beginning of the year	153927089	100	153927089	100
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	March 31, 2018 Allotted 8,75,00,000 Equity shares of Rs. 10/- each			
	At the end of the year	241427089	100	241427089	100

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No.of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	Not Applicable			
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the end of the year (or on the date of separation, if separated during the year)				

(v) **Shareholding of Directors & KMP**

Sl. No	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NIL			
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the end of the year				

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

(in lakhs)				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	25,041.13	6,150.00		31,191.13
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	-	-		-
Total (i+ii+iii)	25,041.13	6,150.00		31,191.13
Change in Indebtedness during the financial year	-			
Additions				-
Reduction	3,341.83	5,450.00		8,791.83
Net Change	(3,341.83)	(5,450.00)		(8,791.83)
Indebtedness at the end of the financial year	-			
i) Principal Amount	21,699.30	700.00		22,399.30
ii) Interest due but not paid	9.46	-		9.46
iii) Interest accrued but not due	-	-		-
Total (i+ii+iii)	21,708.75	700.00		22,408.75

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			Total Amount
1	Gross salary	Managing Director	WTD	Manager	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	N.A	N.A	4752000	4752000
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	N.A	N.A	N.A	N.A
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	N.A	N.A	N.A	N.A
2	Stock option	N.A	N.A	N.A	N.A
3	Sweat Equity	N.A	N.A	N.A	N.A
4	Commission				

Sl. No	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount
	as % of profit	N.A	N.A	N.A	N.A
	others (specify)	N.A	N.A	N.A	N.A
5	Others, please specify	N.A	N.A	N.A	N.A
	Total (A)			4,752,000	4,752,000
	Ceiling as per the Act				

B. Remuneration to other directors:

Sl. No	Particulars of Remuneration	Name of the Directors		Total Amount
1	Independent Directors	Mr. Pradeep Pant	Mrs. Sharmila Tagore	
	(a) Fee for attending board committee meetings	900000	900000	1800000
	(b) Commission	Nil	Nil	Nil
	(c) Others, please specify	Nil	Nil	Nil
	Total (1)	900000	900000	1800000
2	Other Non Executive Directors	NIL		
	(a) Fee for attending board committee meetings			
	(b) Commission		NIL	
	(c) Others, please specify.			
	Total (2)			
	Total (B)=(1+2)	900000	900000	1800000
	Total Managerial Remuneration			1800000
	Overall Cieling as per the Act			Rs. 1 Lakh per meeting

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
1	Gross Salary	CEO	Company Secretary	CFO	Total
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	N.A	390636	N.A	390636
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	N.A	N.A	N.A	N.A
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	N.A	N.A	N.A	N.A
2	Stock Option	N.A	N.A	N.A	N.A
3	Sweat Equity	N.A	N.A	N.A	N.A
4	Commission as % of profit	N.A	N.A	N.A	N.A
	others, specify	N.A	N.A	N.A	N.A
5	Others, please specify	N.A	N.A	N.A	N.A
	Total	N.A	390636	N.A	390636

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	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A
B. DIRECTORS					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A
C. OTHER OFFICERS IN DEFAULT					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A

For and on behalf of Board
Antara Purukul Senior Living Limited

Sd/-
Tara Singh Vachani
Director
DIN No.: 02610311

Sd/-
Rohit Kapoor
Director
DIN No.: 06529360

Place: New Delhi
Date: July 23, 2018

Annexure 4

Information as required under Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and forming part of the Director's Report for the Financial Year ended March 31, 2018

Top 10 employees in terms of remuneration drawn

Sl. No.	Employee Name	Designation	Qualification	Age	Previous employer	Total experience in years	Designation at previous employment	Date of joining	Amount
1	Jatin Gupta	Manager – Procurement	B.Com.	37.8	Trident Hotel, Gurgaon	17.3	Assistant Manager Purchase	16-Apr-15	1,162,849
2	Rajeev Khurana	Head – Finance	B.Com.	57.1	Four Points by Sheraton, Dehradun	14.7	Unit Financial Controller	3-Oct-17	1,200,000
3	Chhavi Katara	Head – Human Capital	MBA	42.6	The Zuri Whitefield, Bengaluru	19	Head HR & Training	1-Jun-17	1,400,000
4	Arun Pratap Singh Rajura	Senior Manager - Administration & Liaison	B.A.	52.8	Carnoustie Eco Resorts Pvt. Ltd.	33.9	Project Manager	1-Jul-13	1,691,546
5	Ashish Loach	EAM	BHM	41	Jaypee Hotels and Resorts, Mussoorie	17.3	Resident Manager	15-Feb-17	1,925,000
6	Shilpi Kulshrestha	Consultant Physician	MBBS, PG	43	Swasth Family Health Center, Dehradun	20.2	Consultant	4-Apr-16	2,158,247
7	Badar Afaq	Head – IT	MBA (IT)	41	Lemon Tree Hotels Ltd.	19	Deputy General Manager	11-Jun-15	2,529,105
8	Rashmi Ambastha	Head - The Antara Wellness Centre	Bachelor of Naturopathy & Yogic Science	37.6	Four Seasons Hotel	15.3	Director Spa	15-Feb-17	2,632,000
9	Jishnu Veliyath	General Manager	Oberoia Centres Learning	43.7	H.A Bunani LLC Oman	23.2	Director- Hotel and Commercial Manager	1-Apr-15	4,752,000
10	Sunil Sharma	Project Specialist	B.Com.	62.1	Max Healthcare Ltd.	43	Head Aesthetics, Facility and Housekeeping	17-May-16	4,900,000

Note: All are permanent employees and are governed by their letter of appointment.

Employees who have received remuneration not less than Rs. 1.20 Crores in FY 2017-18 (earlier it was 60 Lakhs)

NIL

For and on behalf of Board
Antara Purukul Senior Living Limited

Sd/-
Tara Singh Vachani
Director
DIN No.: 02610311

Sd/-
Rohit Kapoor
Director
DIN No.: 06529360

Place: New Delhi
Date: July 23, 2018

INDEPENDENT AUDITOR'S REPORT

**To,
The Members of
Antara Purukul Senior Living Limited
Report on the Financial Statements**

We have audited the accompanying financial statements of **Antara Purukul Senior Living Limited** ('the Company'), which comprise the balance sheet as at 31st March, 2018, the statement of profit and loss and the cash flow statement for the year 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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the 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 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 the 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 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 the 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 the 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations and representation given to us, the aforesaid 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;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2018;
- b) in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the 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 A**, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:

- (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
- (d) in our opinion, the aforesaid 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 the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 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 B**"; and
- (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 commitments/contracts including derivative contracts for which there will be any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to Investor Education and Protection Fund.

For,

Ravi Rajan & Co.,

(Chartered Accountants)

Firm's registration number: 009073N

Ravi Kumar

Partner

Membership number: 508424

Place: New Delhi

Date: 14th May, 2018

Annexure - A to the Auditors' Report

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Antara Purukul Senior Living Limited of even date, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a policy to verify its fixed assets once in three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. The physical verification was carried out during previous year. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and based on examination of registered sale deed / transfer deed / conveyance deed as provided to us, we report that the title deeds comprising all the immovable properties of land and buildings which are freehold, are held in the name of the company as at the balance sheet date.
- (ii) In respect of Inventory:
 - (a) As explained to us the inventory of the company has been physically verified by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable.
 - (b) In our opinion and as per information and explanation provided to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - (c) The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firm, LLP, or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, sub-clauses (a) to (c) of Clause (iii) of the order are not applicable.
- (iv) In our opinion and according to the information

and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, in making investment and providing guarantee to related parties. The company has not granted any loans, or provided securities.

- (v) As per books of accounts, records and the information and explanations given to us, the company has not accepted any deposits within the meaning of sections 73 to 76 or other relevant provisions of the Act and Rules framed there under.
- (vi) Having regard to the nature of the Company's business/ activities, reporting under clause (vi) of the CARO, 2016 is not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of

Our examination of the records, the Company is regular in depositing undisputed statutory dues including provident fund, income tax, sales tax, value added tax, GST cess, and other material statutory dues applicable to it with the appropriate authorities. As per the information provided to us and there were no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, GST cess, and other material statutory dues as at 31st March, 2018 for a period of more than 6 months from the date they become payable.

- (b) There were no dues of Income tax, Service Tax, GST, other applicable statutory liability as at 31st March, 2018 on account of disputes.
- (viii) The company has taken loans or borrowings from financial institutions and banks during the financial year. The company has not defaulted in repayment of loans including interest. The company has not issued any debentures.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year. Accordingly, clause (ix) of the CARO, 2016 is not applicable.
- (x) In our opinion and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported to us during the course of our audit.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid /provided managerial remuneration in

accordance with the requisite approval mandated by the provision of section 197 read with schedule V to the companies' act 2013.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, Clause (xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Hence, clause (xiv) of the CARO 2016 is not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause (xv) of the CARO 2016 is not applicable.

(xvi) The company is not required to be registered under section 45-IA of the reserve bank of India Act, 1934.

For,

Ravi Rajan & Co.,

(Chartered Accountants)

Firm's registration number: 009073N

Ravi Kumar

Partner

Membership number: 508424

Place: New Delhi

Date: 14th May, 2018

Annexure - B to the Auditors' Report

Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Antara Purukul Senior Living Limited of even date.

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

We have audited the internal financial controls over financial reporting of **Antara Purukul Senior Living Limited** ("the Company") as of 31st March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). 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 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.

Auditors' 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, issued by ICAI and deemed to be prescribed 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 judgment, 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 Company's 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 31st March 2018, 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,

Ravi Rajan & Co.,

(Chartered Accountants)

Firm's registration number: 009073N

Ravi Kumar

Partner

Membership number: 508424

Place: New Delhi

Date: 14th May, 2018

BALANCE SHEET

AS AT 31 MARCH, 2018

		Rs./lacs	
Particulars	Note No.	As at 31 March, 2018	As at 31 March, 2017
A. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	3	24,142.71	15,392.71
(b) Reserves and surplus	4	(19,023.83)	(13,159.86)
		5,118.88	2,232.85
2. Non-current liabilities			
(a) Long-term borrowings	5	20,980.00	22,842.40
(b) Other long-term liabilities	6	24,697.19	18,285.94
(c) Long-term provisions	7	36.61	132.92
		45,713.80	41,261.26
3. Current liabilities			
(a) Trade payables	8		
(i) total outstanding dues to micro enterprises and small enterprises		-	-
(ii) total outstanding dues to creditors other than micro enterprises and small enterprises		139.31	412.91
(b) Other current liabilities	9	3,112.18	10,917.96
(c) Short-term provisions	10	0.39	176.86
		3,251.88	11,507.73
TOTAL		54,084.56	55,001.84
B. ASSETS			
1. Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11A	52,927.98	6,156.20
(ii) Intangible assets	11B	54.14	36.06
(iii) Capital work-in-progress		(0.00)	44,905.89
(iv) Intangible assets under development		-	4.23
		52,982.12	51,102.38
(b) Long-term loans and advances	12	268.48	1,610.74
		268.48	1,610.74
2. Current assets			
(a) Current investments	13	1.04	1,132.33
(b) Inventories		137.29	-
(c) Trade receivable	14	47.81	-
(d) Cash and cash equivalents	15	479.45	1,110.92
(e) Short-term loans and advances	16	156.80	45.47
(f) Other current assets	17	11.57	-
		833.96	2,288.72
TOTAL		54,084.56	55,001.84

See accompanying notes forming part of the financial statements 1 to 34

In terms of our report attached

For and on behalf of the Board of Directors

For **Ravi Rajan & Co.**
Chartered Accountants
FRN - 009073N

Jatin Khanna
(Director)
DIN No: 07089135

Tara Singh Vachani
(Director)
DIN No: 02610311

Ravi Kumar
Partner
MRN - 508424

Ashima Jain
(Company Secretary)

Place: New Delhi
Date : 14 May, 2018

Place : New Delhi
Date : 14 May, 2018

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31 MARCH, 2018

			Rs./lacs	
Particulars	Note No.	For the year ended 31 March, 2018	For the year ended 31 March, 2017	
1. Income				
(a) Revenue from operations	18	572.99	-	
(b) Other income	19	944.99	57.82	
2. Total revenue		1,517.98	57.82	
3. Expenses				
(a) Cost of materials consumed		58.42	-	
(b) Employee benefits expense	20	729.99	608.39	
(c) Finance costs	21	3,486.14	806.31	
(d) Depreciation and amortisation expense	11	1,475.93	64.15	
(e) Other expenses	22	1,631.47	2,018.76	
4. Total expenses		7,381.95	3,497.61	
5. Loss before tax (2-4)		(5,863.97)	(3,439.79)	
6. Tax expense		-	-	
Loss after tax		(5,863.97)	(3,439.79)	
Earnings per share (of Rs. 10 each)	29			
- Basic and diluted		(3.80)	(12.70)	
See accompanying notes forming part of the financial statements		1 to 34		

In terms of our report attached

For and on behalf of the Board of Directors

For **Ravi Rajan & Co.**
Chartered Accountants
FRN - 009073N

Jatin Khanna
(Director)
DIN No: 07089135

Tara Singh Vachani
(Director)
DIN No: 02610311

Ravi Kumar
Partner
MRN - 508424

Ashima Jain
(Company Secretary)

Place: New Delhi
Date : 14 May, 2018

Place : New Delhi
Date : 14 May, 2018

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH, 2018

			Rs./lacs
Particulars	Note No.	For the year ended 31 March, 2018	For the year ended 31 March, 2017
A. Cash flow from operating activities			
Loss before tax		(5,863.97)	(3,439.79)
Adjustments for:			
Depreciation and amortisation expense		1,475.93	64.15
Finance costs		3,486.14	806.31
Interest income from others		(19.03)	(11.01)
Loss on sale of fixed assets		-	0.59
Profit on sale of land		(878.26)	-
Net gain on sale of current investments in mutual funds		(38.69)	(44.97)
Operating loss before working capital changes		(1,837.88)	(2,624.72)
Changes in working capital:			
Adjustments for increase / (decrease) in operating liabilities:			
Trade payables		(273.59)	268.17
Short-term provisions		(176.47)	(144.49)
Long-term provisions		(96.31)	2.39
Other current liabilities		640.86	323.95
Other long-term liabilities		6,411.25	7,993.72
		6,505.74	8,443.74
Adjustments for (increase) / decrease in operating assets:			
Short-term loans and advances		(111.32)	8.61
Long-term loans and advances		17.34	(4.96)
Other current assets		(196.66)	
		(290.64)	3.65
Cash flow from/(used) in operations		4,377.22	5,822.67
Net income tax paid		(110.89)	(14.31)
Net cash flow from/(used in) operating activities	A.	4,266.33	5,808.36
B. Cash flow from investing activities			
Capital expenditure on fixed assets, including capital advances		(5,974.20)	(18,795.84)
Proceeds from sale of fixed assets		3,405.92	0.88
Interest received		19.03	11.01
Current investments in mutual funds			
- Purchased		(4,113.95)	(16,787.53)
- Proceeds from sale		5,283.93	15,700.17
Net cash flow used in investing activities	B.	(1,379.28)	(19,871.31)
Cash flow from financing activities			
Proceeds from issue of equity share capital		8,750.00	14,570.81
Proceeds from long-term borrowings		(8,791.83)	1,187.67
Finance costs		(3,476.69)	(1,304.95)
Net cash flow from financing activities	C.	(3,518.52)	14,453.53

			Rs./lacs
Particulars	Note No.	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Net increase/(decrease) in cash and cash equivalents	(A+B+C)	(631.47)	390.58
Cash and cash equivalents at the beginning of the year		1,110.92	720.34
Cash and cash equivalents at the end of the year*	15	479.45	1,110.92
*Comprises:			
(a) Cash on hand		1.50	2.32
(b) Balances with banks			
- in current account		477.95	1,108.60
Total		479.45	1,110.92
See accompanying notes forming part of the financial statements	1 to 34		

In terms of our report attached

For **Ravi Rajan & Co.**
Chartered Accountants
FRN - 009073N

Ravi Kumar
Partner
MRN - 508424

Place: New Delhi
Date : 14 May, 2018

For and on behalf of the Board of Directors

Jatin Khanna
(Director)
DIN No: 07089135

Ashima Jain
(Company Secretary)

Place : New Delhi
Date : 14 May, 2018

Tara Singh Vachani
(Director)
DIN No: 02610311

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS.

1. Corporate information

ANTARA PURUKUL SENIOR LIVING LIMITED ("the Company") is a wholly owned subsidiary of ANTARA SENIOR LIVING LIMITED. The Company has been set up to primarily engage in the business of construction and leasing of residential senior living communities.

The Company has completed the construction of senior living community situated at Dehradun and has hand over the possession to the residents.

2. Significant Accounting Policies

a. Basis of Preparation

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the 2013 Act") and relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

b. Uses of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

c. Cash and cash equivalents (for purposes

of Cash flow statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances, (with original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

d. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

e. Depreciation and amortisation

Depreciation on Fixed Asset is calculated on a straight-line basis using the rates arrived at, based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset. The company has used the following rates to provide depreciation on its Fixed Asset.

Useful life estimated by the management (years)

Buildings	60
Plant and equipments	10 - 15
Furniture and fixtures	10
Office equipment	5
Vehicles	8
IT Equipment	6
Computers/Laptop	3
Intangibles	5

The residual values, useful life and methods of depreciation of fixed assets and the amortisation period are reviewed at each financial year end and adjusted prospectively, if appropriate.

f. Revenue Recognition

Revenue is recognized 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:

Revenue from food and beverages, maintenance and club services are recognized upon rendering of service. Sales are net of discounts. Goods service tax is reduced from sales.

Revenue from club membership is collected upfront either for lifetime or for a specified period. Revenue from membership admission fee is recognized as income on admission of a member. Admission fee collected is non refundable and non transferrable. Annual entitlement fee, which entitles the members to the club membership facilities over the agreed membership period, is recognized as income in the year for which it is received.

g. Other income

Interest income is accounted on accrual basis. Dividend income is accounted when the right to receive it is established.

h. Fixed Assets (Tangible/Intangible)

Fixed assets are carried at cost less accumulated depreciation/amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price, net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Subsequent expenditure on fixed

assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Fixed assets acquired and put to use for project purpose are capitalised and depreciation thereon is included in the project cost till the project is ready for its intended use.

Fixed assets acquired in full or part exchange for another asset are recorded at the fair market value or the net book value of the asset given up, adjusted for any balancing cash consideration. Fair market value is determined either for the assets acquired or asset given up, whichever is more clearly evident. Fixed assets acquired in exchange for securities of the Company are recorded at the fair market value of the assets or the fair market value of the securities issued, whichever is more clearly evident.

Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately in the balance sheet.

Capital work-in-progress:

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

i. Foreign currency transactions and translations

Initial recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement at the balance sheet date

Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date

are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

Treatment of exchange differences

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

Accounting of forward contracts

Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the Balance Sheet date. Any profit or loss arising on cancellation or renewal of such a forward contract is recognised as income or as expense in the period in which such cancellation or renewal is made.

j. Investments

Long-term investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

k. Employee benefits

Employee benefits include provident fund, gratuity fund, compensated absences and long term incentive.

Defined contribution plan

The Company's contribution to provident fund is considered as defined contribution plan and is charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plan

For defined benefit plans in the form of gratuity fund, the cost of providing benefits

is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation

as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

Long term incentive

The Company has offered a long term incentive plan for its employees based on achievement of certain individual performance milestones and collective milestones at the Company level. This plan offers a formula based financial incentive to eligible employees who meet these milestones.

I. Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction /development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

m. Leases

Where the Company as a lessor leases assets under finance leases, such amounts are recognised as receivables at an amount equal to the net investment in the lease and the finance income is recognised based on a constant rate of return on the outstanding net investment.

Assets leased by the Company in its

capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

n. Earnings per share

Basic earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares

and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

o. Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each

balance sheet date for their realisability.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

p. Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceeds the estimated recoverable amount an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued asset such reversal is not recognised.

q. Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the

balance sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits are remote. Contingent assets are not recognised in the financial statements.

r. GST input credit

GST input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.

s. Operating cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the

Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

t. Inventories

Inventories are valued at lower of cost and net realisable value. Cost is determined using the first-in, first-out method. The cost of finished goods and work-in-progress comprises raw materials, direct labour, other direct cost and related production overheads (based on normal operating capacity) but excludes borrowing cost. Cost also includes any gains or losses on qualifying cash flow hedges of foreign currency purchases of inventories that are transferred from the hedging reserve. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

Note 3 Share capital

Particulars	As at 31 March, 2018		As at 31 March, 2017	
	Number of shares	Amount Rs./lacs	Number of shares	Amount Rs./lacs
(a) Authorised				
Equity share capital	260,000,000	26,000.00	175,000,000	17,500.00
Equity shares of Rs. 10 (Previous year Rs. 10) each with voting rights				
(b) Issued, subscribed and fully paid up				
Equity share capital				
Equity shares of Rs. 10 (Previous year Rs. 10) each with voting rights	241,427,089	24,142.71	153,927,089	15,392.71
		24,142.71		15,392.71

Refer Notes (i) to (iv) below

- (i) The Company has one class of equity shares having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, holder 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.
- (ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2018		As at 31 March, 2017	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares with voting rights of Rs. 10 each				
ANTARA SENIOR LIVING LIMITED (ASL) and its nominees ('Holding Company')	241,427,089	100.00	153,927,089	100.00

- (iii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening balance	Shares issued	Closing balance
Equity shares with voting rights of Rs. 10 each			
For the year ended 31 Mar, 2018			
- Number of shares	153,927,089	87,500,000	241,427,089
- Amount (Rs./lacs)	15,392.71	8,750.00	24,142.71
For the year ended 31 Mar, 2017			
- Number of shares	8,219,000	145,708,089.00	153,927,089
- Amount (Rs./lacs)	821.90	14,570.81	15,392.71

- (iv) Details of shares held by ANTARA SENIOR LIVING LIMITED, the holding company:

Particulars	Aggregate number of shares	
	As at 31 March, 2018	As at 31 March, 2017
Fully paid up equity shares with voting rights	241,427,089	153,927,089

Note 4 Reserves and surplus

Particulars	Rs./lacs	
	As at 31 March, 2018	As at 31 March, 2017
Surplus/(deficit) in Statement of Profit and Loss		
Opening balance	(13,159.86)	(9,720.07)
Add: Loss for the year	(5,863.97)	(3,439.79)
Total	(19,023.83)	(13,159.86)

Note 5 Long-term borrowings

Particulars	Rs./lacs	
	As at 31 March, 2018	As at 31 March, 2017
(a) Term loans		
(i) From bank (secured)	-	16,689.26
(ii) From others (secured)*	20,280.00	-
(b) From related parties (unsecured)**	700.00	6,150.00
(c) Loan from bank - Vehicle loans (secured)***	-	3.14
Total	20,980.00	22,842.40

i. The rate of interest applicable on long term borrowings are as under:

a.	Term loans from bank/ others	10.00% - 11.35% p.a.	11.5% p.a.
b.	Term loans from related parties	10.50% - 11.85% p.a.	12.00% - 14.00% p.a.
c.	Vehicle loans	9.65% - 11.00% p.a.	10.75% - 11.00% p.a.

ii. Details of terms of repayment and securities provided in respect of secured term loans are as under:*** Term loans from others (secured) :**

Term loan from Aditya Birla Finance Limited is Rs. 21,696.16 lacs (including current maturities of long term borrowings Rs. 1,416.16 lacs) (previous year with Axis bank Limited: Rs. 25,033.89 lacs, including current portion of Rs. 8,344.63) together with interest, additional interest, further interest, liquidated damages, costs, charges, expenses and all other monies whatsoever payable by the Company is secured by the following security interest created in favour of the Bank or the Security Trustee:

- a) Exclusive Charge by way of Equitable mortgage for facility 1 & 3 and Registered mortgage for facility 2, of the land on which Antara Purukul Senior Living Limited has built a senior living community" ('Project') admeasuring 13.5 acres situated at village chak Soloniwala Dehradun, owned by APSL and all the unleased flats.
- b) Exclusive charge by way of hypothecation on entire current assets (including receivables both present and future) and movable fixed assets (excluding vehicles hypothecated to the financiers of the vehicles) of Aantara Purukul Senior Living Limited and Antara Senior Living Limited, both present and future.
- c) Exclusive charge over designated account and over all cash flows of Antara Purukul Senior Living Limited APSL and Antarar Senior Living including but not limited to cash flows arising out of sales /leasing of area / project receipts/all other cash flows pertaining to project.
- d) Exclusive charge by way of hypothecation /mortgage/assignment as the case may be of; and
 - (i) All the FSI ,rights,title,interest, benefits,claims and demands whatsoever of the company and ASL in respect of the project, in the project documents, all as amended, varied or supplemented from time to time;
 - (ii) Subject to applicable law, all the rights, title, interest, benefits, claims and demands whatsoever of the Company and ASL in the clearances, and
 - (iii) all the rights, title, interest, benefits, claims and demands whatsoever of the Company and ASL in any letter of credit, guarantee, performance bond , guarantee, bank guarantee provided by any vendor/ contractor/party to the Company and ASL in relation to the project.

e) Corporate Guarantees of Max India Limited.

The loan is repayable in 72 structured monthly installments from January, 2018 with an option to prepay.

- For 1st & 2nd year 2% annually in equal monthly installment
- For 3rd, 4th, 5th and 6th year 24% annually in equal monthly installment

**** Loans from related party (unsecured)**

Loan from related party is repayable in two half yearly installments commencing from February, 2024.

***** Vehicle loans (secured)**

Vehicle loans Rs. 3.14 lacs (including current maturities of long term borrowing Rs. 3.14 lacs) (previous year: Rs. 7.24 lacs, including current portion of Rs. 4.10 lacs) are secured by way of hypothecation of respective vehicles. This is repayable in next 3 years.

Note 6 Other long-term liabilities

		Rs./lacs
Particulars	As at 31 March, 2018	As at 31 March, 2017
Others		
(a) Advances from customers	12,631.84	17,643.16
(b) Advance Lease Rental	10,483.54	-
(c) Retention money payable	43.59	480.39
(d) Security deposits received	1,538.22	162.39
Total	24,697.19	18,285.94

Note 7 Long-term provisions

		Rs./lacs
Particulars	As at 31 March, 2018	As at 31 March, 2017
Provision for employee benefits		
(a) Provision for compensated absences	17.98	78.82
(b) Provision for gratuity (Refer note 25)	18.63	54.10
	36.61	132.92

Note 8 Trade payables

		Rs./lacs
Particulars	As at 31 March, 2018	As at 31 March, 2017
Trade payables - Other than acceptances		
- total outstanding dues of micro enterprises and small enterprises (Refer note 30)	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	139.31	412.91
Total	139.31	412.91

Note 9 Other current liabilities

		Rs./lacs
Particulars	As at 31 March, 2018	As at 31 March, 2017
(a) Current maturities of long-term borrowings		
(i) Term loan from banks (secured - refer note 5)	1,416.16	8,344.63
(ii) Loan from banks - Vehicle loans (secured - refer note 5)	3.14	4.10
(b) Interest accrued and due on borrowings (Refer note 5)	9.46	-
(c) Other payables		
(i) Statutory dues	99.63	218.03

			Rs./lacs	
Particulars			As at 31 March, 2018	As at 31 March, 2017
(ii)	Payables on purchase of fixed assets		479.51	2,006.18
(iii)	Advances from customers		403.29	288.57
(iv)	Advance Lease Rental		179.46	
(v)	Retention money payable		456.92	50.62
(vi)	Security deposits received		-	5.83
(vii)	Payable to related party - employee benefits		64.10	-
(viii)	Payable to related party - commission		0.51	-
Total			3,112.18	10,917.96

Note 10 Short-term provisions

			Rs./lacs	
Particulars			As at 31 March, 2018	As at 31 March, 2017
(a)	Provision for employee benefits			
(i)	Provision for compensated absences		0.35	7.04
(ii)	Provision for gratuity (Refer note 25)		0.04	1.82
(iii)	Provision for incentive (refer note below)		-	168.00
	Provision for incentive			
Total			0.39	176.86

Note 11 Fixed assets

Particulars		Gross block				Accumulated depreciation and amortisation				Net block	
		As at 1 April, 2017	Additions	Deletions/ adjustments	As at 31 March, 2018	As at 1 April, 2017	Depreciation and amortisation expense for the year ended 31, March '18	Deletions/ adjustments	As at 31 March, 2018	As at 31 March, 2018	As at 31 March, 2017
		Rs./lacs	Rs./lacs	Rs./lacs	Rs./lacs	Rs./lacs	Rs./lacs	Rs./lacs	Rs./lacs	Rs./lacs	Rs./lacs
A	TANGIBLE ASSETS - OWNED										
(a)	Land (freehold)	5,883.83	-	2,513.69	3,370.14	-	-	-	-	3,370.14	5,883.83
(b)	Land Improvements (Horticulture)		122.26	-	122.26		6.99	-	6.99	115.27	-
(c)	Road RCC		1,280.22	-	1,280.22	0.00	101.66	-	101.66	1,178.56	-
(d)	Building		39,287.59	-	39,287.59	0.00	551.02	-	551.02	38,736.57	-
(e)	Plant & Machinery		7,327.39	-	7,327.39	0.00	445.05	-	445.05	6,882.34	-
(f)	Computers	98.40	678.00	0.38	776.02	59.05	131.76	0.38	190.43	585.59	39.35
(g)	Furniture and fixtures	108.99	1,725.79	-	1,834.78	15.67	143.21	-	158.88	1,675.90	93.32
(h)	Vehicles	79.72	0.63	24.37	55.98	15.23	10.09	10.41	14.91	41.07	64.49
(i)	Office equipments	92.47	347.79	-	440.26	17.26	80.46	-	97.72	342.54	75.21
	Total (A)	6,263.41	50,769.67	2,538.44	54,494.64	107.21	1,470.24	10.79	1,566.66	52,927.98	6,156.20
B	INTANGIBLE ASSETS										
(a)	Computer software	48.38	23.77	-	72.15	12.32	5.69	-	18.01	54.14	36.06
	Total (B)	48.38	23.77	-	72.15	12.32	5.69	-	18.01	54.14	36.06
	Total (A+B)	6,311.79	50,793.44	2,538.44	54,566.79	119.53	1,475.93	10.79	1,584.67	52,982.12	6,192.26

Note 12 Long-term loans and advances

		Rs./lacs	
Particulars		As at 31 March, 2018	As at 31 March, 2017
(a)	Capital advances		
(i)	Secured, considered good	-	81.20
(ii)	Unsecured, considered good	54.82	1,409.43
		54.82	1,490.63
(b)	Security deposits - Unsecured, considered good	21.62	38.96
(c)	Advance income tax - (net of provisions Rs. 46.58 lacs (Previous year Rs. 46.58 lacs) - Unsecured, considered good	192.04	81.15
Total		268.48	1,610.74

Note 13 Current investments

		As at 31 March, 2018		As at 31 March, 2017	
Particulars		No of units	Rs./lacs	No of units	Rs./lacs
Investment in mutual funds (unquoted)					
(a)	Liquid Funds				
	Axis Liquid fund - Direct growth (CFDGG)	54.877	1.04	63,129.753	1,132.33
Total			1.04	-	1,132.33
Note:					
Aggregate amount of current unquoted investments			1.06		1,132.33

Note 14 Trade receivable

		Rs./lacs	
Particulars		As at 31 March, 2018	As at 31 March, 2017
(a)	Debtors		
-	Outstanding for a period exceeding six months from the date they are due for payment	16.10	
-	Other receivables		
	Secured, considered good		
	Unsecured, considered good	31.71	-
Total		47.81	-

Note 15 Cash and cash equivalents

		Rs./lacs	
Particulars		As at 31 March, 2018	As at 31 March, 2017
Cash and cash equivalents (as per AS 3 Cash Flow Statements)			
(a)	Cash on hand	1.50	2.32
(b)	Balances with banks		
(i)	In current accounts	477.95	1,108.60
Total - Cash and cash equivalents (as per AS 3 Cash Flow Statements) (A)			
Total Cash and cash equivalents		479.45	1,110.92

Note 16 Short-term loans and advances

		Rs./lacs	
Particulars		As at	As at
		31 March, 2018	31 March, 2017
(a) Loans and advances to related parties (Refer note 26.1)		-	0.24
Unsecured, considered good			
(b) Loans and advances to employees - Unsecured, considered good		0.27	8.21
(c) Prepaid expenses - Unsecured, considered good		11.54	26.09
(d) Advance to suppliers - Unsecured, considered good		23.91	7.37
(e) Balances with government authorities - Unsecured, considered good			
(i) Input taxes - GST		121.08	0.00
(ii) MAT credit entitlement		-	3.56
Total		156.80	45.47

Note 17 Other current assets

		Rs./lacs	
Particulars		As at	As at
		31 March, 2018	31 March, 2017
(a) Security Deposits		8.43	-
(b) Receivable from related party		3.14	-
Total		11.57	-

Note 18 Revenue from operations

		Rs./lacs	
Particulars		For the year ended	For the year ended
		31 March, 2018	31 March, 2017
(a) Revenue from operations			
(i) Apartment lease rentals		102.59	-
(ii) Food & Beverages		77.97	-
(iii) Maintenance charges		150.15	-
(iv) Club membership fee		166.10	-
(v) Club services & others		76.18	-
Total		572.99	-

Note 19 Other income

		Rs./lacs	
Particulars		For the year ended	For the year ended
		31 March, 2018	31 March, 2017
(a) Interest income			
(i) Interest income from others		19.03	11.01
(ii) Interest on income tax refund		-	1.84
		19.03	12.85
(b) Net gain on sale of current investments in mutual funds		38.69	44.97
(c) Profit on sale of assets		878.26	-
(d) Scrap sale		6.78	-
(e) Leasing of vehicle		2.23	-
Total		944.99	57.82

Note 20 Employee benefits expense

		Rs./lacs	
Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017	
(a) Salaries and wages	701.24	1,048.25	
(b) Contributions to provident and other funds	33.50	46.75	
(c) Gratuity expense	(27.38)	8.22	
(d) Staff welfare expenses	186.59	284.31	
	893.95	1,387.53	
Less: Employee benefit expense transferred to capital work in progress	163.96	779.14	
Total	729.99	608.39	

Note 21 Finance costs

		Rs./lacs	
Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017	
Interest expense on			
(i) Borrowings	3,598.99	4,164.52	
(ii) Others	0.51	1.01	
	3,599.50	4,165.53	
Less: Finance costs transferred to capital work in progress	113.36	3,359.22	
Total	3,486.14	806.31	

Note 22 Other expenses

		Rs./lacs	
Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017	
(a) Sales commission	78.27	78.70	
(b) Marketing expense	390.48	3.47	
(c) Electricity charges	147.75	85.78	
(d) Rent including lease rentals (Refer note 28)	13.00	78.54	
(e) Repairs and maintenance - Others	132.07	107.60	
(f) Rates and taxes	116.75	153.47	
(g) Communication	30.60	42.82	
(h) Travelling and conveyance	34.28	179.28	
(i) Printing and stationery	13.98	21.20	
(j) Security & Housekeeping expense	305.67	184.19	
(k) Business promotion, advertisement and publicity	2.52	11.29	
(l) Legal and professional	134.79	1,048.13	
(m) Directors sitting fees	20.28	30.78	
(n) Membership fees	8.80	11.65	
(o) Payments to auditors (refer note below)	5.00	12.09	
(p) Loss on sale of fixed assets	-	0.59	
(q) Provision for delay of possession	88.34	208.38	
(r) Laundry expenses	48.59	3.68	
(s) Other Operational expenses	70.89	7.32	
(t) Miscellaneous expenses	45.98	119.73	
	1,688.04	2,388.69	
Less: Other expenses transferred to capital work in progress	56.57	369.93	
Total	1,631.47	2,018.76	
Note			
Payments to auditors (excluding GST)			
a. Statutory audit fee	5.00	11.80	
b. Reimbursement of out of pocket expenses		0.29	
	5.00	12.09	

Note 23: Additional information to the financial statements

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

23.2 Commitments

Particulars	Rs./lacs	
	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Estimated amount of contracts remaining to be executed on capital account and not provided for	10.40	4,189.93

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

23.4 There were no amounts which were required to be transferred to the Investor Education and Protection fund by the Company.

24. i. Expenditure in Foreign Currency (on accrual basis)

Particulars	Rs./lacs	
	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Staff welfare expenses	-	2.31
Travelling and conveyance	-	2.30
Legal and professional	-	606.17
Directors sitting fees	6.27	9.80
Miscellaneous expenses	-	3.64
Capital work in progress	2.13	602.35
Total	8.40	1,226.57

Note 25: Disclosures under Accounting Standards**Retirement benefit plans****(i) Defined contribution plans**

The Company makes provident fund contribution which is a defined contribution plan for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

The Company recognised Rs. 33.50 lacs (Previous year Rs. 46.75 lacs) for provident fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules to the scheme.

(ii) Defined benefit plans

The gratuity liability arises on retirement, withdrawal, resignation and death of an employee. The aforesaid liability is calculated on the basis of one month salary (i.e. last drawn basic salary plus dearness allowance) for each completed year of service subject to completion of five years of service except in case of death of employee in service.

The following tables set out the unfunded status of the defined benefit scheme and amounts recognised in the Company financial statements as at 31 March, 2018:

Particulars	(Rs./lacs)	
	Year ended 31 March, 2018	Year ended 31 March, 2017
Components of employer expense		
Current service cost	10.22	17.36
Interest cost	4.11	3.82
Expected return on plan assets	-	-
Actuarial losses/(gains)	(41.71)	(12.95)

Particulars	(Rs./lacs)	
	Year ended 31 March, 2018	Year ended 31 March, 2017
Settlement cost / (credit)	-	-
Total expense recognised in the Statement of Profit and Loss	(27.38)	8.22
Actual contribution and benefit payments for year		
Actual benefit payments	-	-
Actual contributions	-	-
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	18.67	55.92
Fair value of plan assets	-	-
Net asset / (liability) recognised in the Balance Sheet	(18.67)	(55.92)
Net liability has been classified under:		
Long-term provisions	18.63	54.10
Short-term provisions	0.04	1.82
Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year	55.92	47.69
Current service cost	10.22	17.36
Interest cost	4.11	3.82
Actuarial loss/(gains)	(41.71)	(12.95)
Benefits paid	(0.99)	-
Acquisition adjustment	(8.88)	-
Present value of DBO at the end of the year	18.67	55.92

Particulars	(Rs./lacs)	
	Year ended 31 March, 2018	Year ended 31 March, 2017
Principal actuarial assumptions for gratuity and compensated absences:		
Discount rate	7.80%	7.35%
Expected return on plan assets	-	-
Salary escalation	10.00%	10.00%
Retirement age	60 years	60 years
Mortality tables	IALM (2006 - 08)	IALM (2006 - 08)
Attrition (%)		
Ages:		
Upto 30 years	3	4
From 31 to 44 years	2	14
Above 44 years	1	5
Estimate of amount of contribution in the immediate next year Rs.	12.41	25.86

Notes:

- The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of obligations.
- The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.
- The gratuity plan is unfunded.

d. Experience on actuarial gain/(loss) for benefit obligations and plan assets:

Particulars	(Rs./lacs)				
	Gratuity				
	31 March, 2018	31 March, 2017	31 March, 2016	31 March, 2015	31 March, 2014
Present value of DBO	18.67	55.92	47.70	29.49	14.82
Fair value of plan assets	-	-	-	-	-
Funded status [Surplus / (Deficit)]	(18.67)	(55.92)	(47.70)	(29.49)	(14.82)
Experience gain / (loss) adjustments on plan liabilities	46.39	6.85	0.72	2.23	0.01
Experience gain / (loss) adjustments on plan assets	-	-	-	-	-

e. Experience adjustments have been disclosed from the year for which information is available.

26. Related party disclosures

List of related parties:

Ultimate Holding Company	1. Max India Limited (formerly known as 'Taurus Ventures Limited')
Holding Company	1. ANTARA SENIOR LIVING LIMITED
Fellow Subsidiaries	1. Pharmax Corporation Limited
Enterprise over which director or his relative is able to exercise significant influence or control (Mr. Analjit Singh)	1. New Delhi House Services Limited

26.1 Details of transactions with related party during the year

Particulars	(Rs. in Lacs)				Total
	Ultimate holding company Max India Limited	Holding company ANTARA SENIOR LIVING LIMITED	Fellow Subsidiaries Pharmax Corporation Limited	New Delhi House Services Limited	
Transactions during the year					
Staff welfare expenses	-	-	-	1.71	1.71
	(-)	(-)	(-)	(22.94)	(22.94)
Interest expense on borrowings	858.02	0.00	-	-	858.02
	(632.37)	(1,021.94)	(-)	(-)	(1,654.31)
Sales commission	-	78.27	-	-	78.27
	(-)	(78.70)	(-)	(-)	(78.70)
Electricity charges	-	-	-	1.30	1.30
	(-)	(-)	(-)	(17.94)	(17.94)
Rent including lease rentals	-	2.23	13.00	-	15.23
	(-)	(-)	(78.54)	(-)	(78.54)
Repair and maintenance - others	-	-	-	5.74	5.74
	(-)	(-)	(-)	(34.69)	(34.69)
Loan taken by the Company	3,300.00	-	-	-	3,300.00
	(1,900.00)	(-)	(-)	(-)	(1,900.00)
Loan repaid by the Company	8,750.00	-	-	-	8,750.00
	(-)	(10,720.81)	(-)	(-)	(10,720.81)

					(Rs. in Lacs)
Particulars	Ultimate holding company Max India Limited	Holding company	Fellow Subsidiaries		Total
		ANTARA SENIOR LIVING LIMITED	Pharmax Corporation Limited	New Delhi House Services Limited	
Corporate guarantee given	22,000	22,000	-	-	44,000
	(27,700)	(27,700)	(-)	(-)	(55,400)
Balance outstanding at the end of year					
Term loans from related parties	700.00	-	-	-	700.00
	(6,150.00)	-	(-)	(-)	(6,150.00)
Trade payables	-	-	-	-	-
	(-)	(-)	(-)	(1.48)	(1.48)
Other current liabilities	0.91	0.51	-	-	1.41
	(-)	(-)	(-)	(-)	-
Other current assets	-	2.71	-	-	2.71
	-	-	(-)	(-)	-
Long term loans and advances					
Security deposit given	-	-	8.00	-	8.00
	(-)	(-)	(8.00)	(-)	(8.00)
Corporate guarantee	22,000.00	22,000.00	-	-	44,000.00
	(27,700)	(27,700)	(-)	(-)	(55,400.00)

Note: Figures in brackets pertain to previous year.

27. Segment Note

As the Company's business activity primarily falls within a single business and geographical segment, there are no additional disclosures to be provided in terms of Accounting Standard 17 on 'Segment Reporting'.

28. Lease commitments

Obligations towards operating leases (As lessee)

The Company has entered into operating lease arrangements for certain facilities and office premises. Rent expense of Rs. 13.00 lacs (Previous year: Rs. 78.54 lacs) has been charged to the Statement of Profit and Loss in respect of cancellable operating leases.

29. Calculation of earnings per share (EPS) - basic and diluted

Particulars	Rs./lacs	
	As at 31 Mar, 2018	As at 31 March, 2017
Basic and diluted EPS		
Profit / (loss) after tax (Rs. In Lacs)	(5,863.97)	(3,439.79)
Weighted average number of equity shares outstanding during the year (Nos.)	154,166,815	27,083,938
Basic earnings per share (Rs.)	(3.80)	(12.70)
Face value per equity Share (Rs.)	10.00	10.00

30. Disclosures as per Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

Based on the information available with the Company, the balance due to Micro and small enterprises as defined under the MSMED Act, 2006 is Rs. Nil (Previous year Rs. Nil) and no interest has been paid or is payable under the terms of the MSMED Act, 2006. Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

31. The Company has carried out its tax computation in accordance with the mandatory standard on accounting, Accounting Standard 22 'Accounting for Taxes on Income'. In view of absence of virtual certainty of realisation of unabsorbed tax losses, deferred tax assets on unabsorbed tax losses has not been recognised.
32. The Company has started operations of Dehradun community and capitalised Rs. 50688.90 lakhs during the year.
33. The Company has incurred significant losses in the current year and the previous year and has accumulated losses of Rs. 19,023.83 lacs (Previous year 13,159.86 lacs) as at the year end resulting in substantial erosion of the net worth of the Company. ANTARA SENIOR LIVING LIMITED ('holding company') and Max India Limited (formerly known as 'Taurus Ventures Limited') ('ultimate holding company'), have confirmed to provide financial support as the need arises. In view of the above, these financial statements have been prepared on a "going concern basis" as the holding company and ultimate holding company have confirmed to provide such financial support. Accordingly, the financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the classification of liabilities that might be necessary, should the Company be unable to continue as a going concern.
34. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

In terms of our report attached

For and on behalf of the Board of Directors

For **Ravi Rajan & Co.**
Chartered Accountants
FRN - 009073N

Jatin Khanna
(Director)
DIN No: 07089135

Tara Singh Vachani
(Director)
DIN No: 02610311

Ravi Kumar
Partner
MRN - 508424

Ashima Jain
(Company Secretary)

Place: New Delhi
Date : 14 May, 2018

Place : New Delhi
Date : 14 May, 2018

**ANTARA GURGAON
SENIOR LIVING LIMITED**

DIRECTORS' REPORT

Your Directors have pleasure in presenting the 6th Annual Report together with the Audited Accounts for the period from April 01, 2017 to March 31, 2018.

Financial Performance

The financial highlights of your Company for the year under review are given below:

	(Rs. in Lacs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Total Income	Nil	Nil
Total expenses	0.46	0.47
EBITDA	(0.46)	(0.47)
Less: Depreciation	Nil	Nil
Less: Finance cost	Nil	Nil
Profit / (Loss) Before Tax	(0.46)	(0.47)
Less : Tax expense	Nil	Nil
Profit / (Loss) After Tax	(0.46)	(0.47)

During the year under review, the Company has registered a net loss amounting to Rs. 46,000/- due to mandatory statutory expenses incurred by the Company during the period from April 01, 2017 to March 31, 2018.

Review of Operations

Your Company is in process of identifying a potential location for development of a senior living community in the Delhi NCR. It is yet to commence its operations.

Dividend

Your Directors are not recommending any dividend for the year under review in view of losses in the Company.

Share Capital

There is no change in the share capital structure of the Company during the year under review.

The Authorised Share Capital of the Company is Rs. 5,00,000/-. The paid-up share capital of the Company is Rs. 5,00,000/- comprising 50,000 equity shares of Rs. 10/- each.

The entire paid-up share capital of the Company is held by Antara Senior Living Limited and its nominees.

Material change affecting the financial position of the Company since March 31, 2018 to the date of the Report

There is no material change affecting the financial position of the Company since March 31, 2018 to the date of Report.

Board of Directors

Pursuant to Section 161 of the Companies Act, 2013

(Companies Act) read with Articles of Association of the Company, Mrs. Ambica Chaturvedi had been co-opted as additional director on the Board of Directors of the Company effective March 22, 2018 and to hold office upto the date of ensuing Annual General Meeting ("AGM") of the Company. The Company has received recommendation under Section 160 of the Companies Act from the Board proposing the candidature of Mrs. Ambica Chaturvedi for being appointed as the Director of the Company at the ensuing AGM.

Further, Mr. AVK Rao resigned as the Director of the Company effective March 31, 2018. Your Directors place on record their appreciation for the valuable contribution by Mr. AVK Rao during his association with the Company.

As on date, the composition of Board of Directors is as follows:

1. Mrs. Tara Singh Vachani
2. Mr. Rohit Kapoor
3. Mrs. Ambica Chaturvedi

In accordance with the requirement of the Companies Act, Mr. Rohit Kapoor, director of the Company is liable to retire by rotation at the ensuing AGM and being eligible, have offered himself for re-appointment.

Brief resume, nature of expertise, details of directorships held in other companies of the Directors proposed to be re-appointed along with their shareholding in the Company as stipulated under Secretarial Standard 2 is appended as an annexure to the Notice of the ensuing AGM.

Particulars of Deposits

The Company has not accepted any deposits during the period under review.

Particulars of Employees

The Company had no employee during the period under review.

Auditors and Auditors' Report Statutory Auditor

In terms of the provisions of Section 139 of the Companies Act read with Rules made thereunder, the term of M/s. Ravi Rajan & Co., Chartered Accountants, the Statutory Auditors of the Company expires at the conclusion of the ensuing AGM.

The Board has recommended re-appointment of M/s. Ravi Rajan & Co., Chartered Accountants as the Statutory Auditors of the Company for a term of five (5) consecutive years from the conclusion of 6th AGM till the conclusion of 11th AGM for approval of the shareholders.

M/s. Ravi Rajan & Co., Chartered Accountants have confirmed their eligibility to act as Statutory Auditors of the Company.

Statutory Auditors' Report

All observations made in the Statutory Auditors' Report and notes to the accounts are self-explanatory and do not contain any adverse remarks or qualification from the Statutory Auditors and thus not call for any further comments under Section 134 of the Companies Act.

There are no audit qualifications or reporting of fraud in the Statutory Auditors Report given by M/s Ravi Rajan & Co., Statutory Auditors of the Company for the financial year 2017-18 as annexed in the Annual Report.

Disclosures:**Number of meetings of Board of Directors**

During the year under review, the Board of Directors duly met four (4) times on 24.05.2017, 20.07.2017, 30.10.2017 and 08.02.2018 in respect of which proper notices were given and the proceedings were properly recorded and signed in the minutes book maintained for the purpose.

Particulars of the Loans, Investment or Guarantees

There were no loan, guarantees given or investment made by the Company during the period under review.

Particulars of Contracts or Arrangements with Related Parties

There were no contract or arrangements with related parties during the period under review.

Extract of Annual Return

Extract of Annual Return in Form No. MGT-9 as provided under Section 92(3) of the Companies Act is annexed herewith as **Annexure- 1** to this Report.

Secretarial Standards

Your Directors confirm compliance of all applicable Secretarial Standards during the Financial year 2017-18.

Conservation of Energy And Technology Absorption

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

- a) Conservation of Energy
 - (i) the steps taken or impact on conservation of energy: NA
 - (ii) the steps taken by the Company for using alternate sources of energy: Since the Company is not an energy intensive unit, utilization of alternate source of energy may not be feasible.
 - (iii) Capital investment on energy conservation equipment: Nil
- b) Technology Absorption-Your Company is not engaged in manufacturing activities, therefore

there is no specific information to be furnished in this regard.

There was no expenditure incurred on Research and Development during the period under review.

c) Foreign Exchange Earnings and Outgo

The foreign exchange earnings and outgo are given below:

Total Foreign Exchange earned: Nil

Total Foreign Exchange used: Nil

Directors' Responsibility Statement

Pursuant to the requirement under Section 134(5) of the Companies Act, with respect to Directors Responsibility Statement, your Directors confirm that:

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

For and on behalf of the Board of Directors

Antara Gurgaon Senior Living Limited

sd/-
Tara Singh Vachani
Director
DIN No. 02610311

sd/-
Ambica Chaturvedi
Director
DIN No. 08091229

Place: New Delhi
Date: July 24, 2018

Enclosure:
Annexure-1: Extract of Annual return of the Company

Annexure-1

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2018

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	U74140DL2012PLC244411
ii	Registration Date	5th Nov, 2012
iii	Name of the Company	ANTARA GURGAON SENIOR LIVING LIMITED
iv	Category/Sub-category of the Company	UNLISTED PUBLIC COMPANY
v	Address of the Registered office & contact details	MAX HOUSE,1 DR. JHA MARG, OKHLA, NEW DELHI
vi	Whether listed company	NO
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	N.A

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/ services	NIC Code of the Product /service	% to total turnover of the company
1	CONSTRUCTION	99531122	100

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	ANTARA SENIOR LIVING LIMITED	U74140DL2011PLC218781	HOLDING	100	2(46)

IV (i) SHAREHOLDING PATTERN (Equity Share capital Break up as % 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										
b) Central Govt.or State Govt.										
c) Bodies Corporates		50,000	50,000	100		50,000	50,000	100	N.A	N.A
d) Bank/FI										
e) Any other										
SUB TOTAL:(A) (1)		50,000	50,000	100		50,000	50,000	100	N.A	N.A
(2) Foreign										
a) NRI- Individuals										
b) Other Individuals										
c) Bodies Corp.										
d) Banks/FI										
e) Any other										
SUB TOTAL (A) (2)										
Total Shareholding of Promoter		50,000	50,000	100		50,000	50,000	100	N.A	N.A
(A)= (A)(1)+(A)(2)										

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	
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds									
b) Banks/FI									
C) Central govt									
d) State Govt.									
e) Venture Capital Fund									
f) Insurance Companies									
g) FIIS									
h) Foreign Venture Capital Funds									
i) Others (specify)									
SUB TOTAL (B)(1):									
(2) Non Institutions									
a) Bodies corporates									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs									
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs									
c) Others (specify)									
SUB TOTAL (B)(2):									
Total Public Shareholding (B)= (B)(1)+(B)(2)									
C. Shares held by Custodian for GDRs & ADRs	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
Grand Total (A+B+C)	N.A	50,000	50,000	100		50,000	50,000	100	N.A

NOT APPLICABLE

(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	ANTARA SENIOR LIVING LIMITED	50,000	100	0	50,000	100	0	0
	Total	50,000	100	0	50,000	100	0	0

(iii) **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
	At the beginning of the year				
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	NO CHANGE DURING THE YEAR			
	At the end of the year				

(iv) **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)**

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	N.A	N.A	N.A	N.A
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	N.A	N.A	N.A	N.A
	At the end of the year (or on the date of separation, if separated during the year)	N.A	N.A	N.A	N.A

(v) **Shareholding of Directors & KMP**

Sl. No	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	N.A	N.A	N.A	N.A
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	N.A	N.A	N.A	N.A
	At the end of the year	N.A	N.A	N.A	N.A

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness 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				
Additions				
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)				

NIL

vi. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Remuneration to Managing Directors, Whole Time Directors and/or Manager:

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager				Total Amount
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	N.A	N.A	N.A	N.A	N.A
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	N.A	N.A	N.A	N.A	N.A
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	N.A	N.A	N.A	N.A	N.A
2	Stock option	N.A	N.A	N.A	N.A	N.A
3	Sweat Equity	N.A	N.A	N.A	N.A	N.A
4	Commission	N.A	N.A	N.A	N.A	N.A
	as % of profit	N.A	N.A	N.A	N.A	N.A
	others (specify)	N.A	N.A	N.A	N.A	N.A
5	Others, please specify	N.A	N.A	N.A	N.A	N.A
	Total (A)	N.A	N.A	N.A	N.A	N.A
	Ceiling as per the Act	N.A	N.A	N.A	N.A	N.A

B. Remuneration to other directors:

Sl.No	Particulars of Remuneration	Name of the Directors	Total Amount
1	Independent Directors	NOT APPLICABLE	
	(a) Fee for attending board committee meetings		
	(b) Commission		
	(c) Others, please specify		
	Total (1)		
2	Other Non Executive Directors		
	(a) Fee for attending board committee meetings		
	(b) Commission		
	(c) Others, please specify.		
	Total (2)		
	Total (B)=(1+2)		
	Total Managerial Remuneration		
	Overall Cieling as per the Act.		

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
1	Gross Salary	CEO	Company Secretary	CFO	Total
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	N.A	N.A	N.A	
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	N.A	N.A	N.A	
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	N.A	N.A	N.A	
2	Stock Option	N.A	N.A	N.A	
3	Sweat Equity	N.A	N.A	N.A	
4	Commission as % of	N.A	N.A	N.A	
	profit	N.A	N.A	N.A	
	others, specify	N.A	N.A	N.A	
5	Others, please specify	N.A	N.A	N.A	
	Total				

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	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A
B. DIRECTORS					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A
C. OTHER OFFICERS IN DEFAULT					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A

For and on behalf of Board of Directors
Antara Gurgaon Senior Living Limited

New Delhi
Date: July 24, 2018

Sd/-
Tara Singh Vachani
Director
DIN No. 02610311

Sd/-
Ambica Chaturvedi
Director
DIN No. : 08091229

INDEPENDENT AUDITOR'S REPORT

**To,
The Members of
Antara Gurgaon Senior Living Limited
Report on the Financial Statements**

We have audited the accompanying financial statements of **Antara Gurgaon Senior Living Limited** ('the Company'), which comprise the balance sheet as at 31st March, 2018, the statement of profit and loss and the cash flow statement for the year 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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the 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 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 the 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 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 the 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 the 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations and representation given to us, the aforesaid 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;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2018;
- b) in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the 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 A**, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:

- (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
- (d) in our opinion, the aforesaid 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 the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 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 B"; and

- (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 commitments/contracts including derivative contracts for which there will be any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to Investor Education and Protection Fund.

For,

Ravi Rajan & Co.,

(Chartered Accountants)

Firm's registration number: 009073N

Ravi Kumar

Partner

Membership number: 508424

Place: New Delhi

Date: 14th May, 2018

Annexure - A to the Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Antara Gurgaon Senior Living Limited of even date)

- (i) The Company does not have any fixed assets and hence reporting under clause (i) of the CARO 2016 is not applicable.
- (ii) The Company does not have any inventory and hence reporting under clause (ii) of the CARO 2016 is not applicable.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firm, LLP, or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, sub-clauses (a) to (c) of Clause (iii) of the order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not made loans to directors etc. or made investment covered under section 185 and 186 of the Act.
- (v) As per books of accounts, records and the information and explanations given to us, the company has not accepted any deposits within the meaning of sections 73 to 76 or other relevant provisions of the Act and Rules framed there under.
- (vi) Having regard to the nature of the Company's business/ activities, reporting under clause (vi) of the CARO, 2016 is not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is regular in depositing undisputed statutory dues including Income Tax, Cess and other statutory dues applicable to it with the appropriate authorities. As per the information provided to us, provisions of Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and Employees' State Insurance Act, 1948 are not applicable to the company and the operations of the Company during the year did not give rise to any liability for Sales Tax, Service Tax, Goods & Services Tax, Custom Duty, Excise Duty and Value Added tax and there were no undisputed amounts payable in respect of Income Tax, Cess, and other material statutory dues as at 31st March, 2018 for a period of more than 6 months from the date they become payable.
- (b) There were no dues of Income tax, Service Tax, GST as at 31st March, 2018 on account of disputes. As per the information provided to us the operations of the Company during the year did not give rise to any liability for Sales Tax, Custom Duty, Excise Duty and Value Added tax.
- (viii) In our opinion and according to the information and explanation given by the management and as per the records, the company has not taken any loans

or borrowings from financial institutions, banks and Government nor has it issued any debentures. Hence, reporting under clause (viii) of CARO 2016 is not applicable to the Company.

- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year. Accordingly, clause (ix) of the CARO, 2016 is not applicable.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported to us during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration and accordingly reporting under clause (xi) of CARO 2016 is not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, Clause (xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act wherever applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Hence, clause (xiv) of the CARO 2016 is not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause (xv) of the CARO 2016 is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For,
Ravi Rajan & Co.,
 (Chartered Accountants)
 Firm's registration number: 009073N

Ravi Kumar
 Partner
 Membership number: 508424
 Place: New Delhi
 Date: 14th May, 2018

Annexure - B to the Auditors' Report

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Antara Gurgaon Senior Living Limited of even date)

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

We have audited the internal financial controls over financial reporting of Antara Gurgaon Senior Living Limited ("the Company") as of 31st March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). 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 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.

Auditors' 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, issued by ICAI and deemed to be prescribed 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 judgment, 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 Company's 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 31st March 2018, 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,

Ravi Rajan & Co.,

(Chartered Accountants)

Firm's registration number: 009073N

Ravi Kumar

Partner

Membership number: 508424

Place: New Delhi

Date: 14th May, 2018

BALANCE SHEET

as at 31 March, 2018

Particulars	Note No.	Rs./lacs	
		As at 31 March, 2018	As at 31 March, 2017
A. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	3	5.00	5.00
(b) Reserves and surplus	4	(2.49)	(2.03)
		2.51	2.97
2. Current liabilities			
(a) Trade payables	5		
i. total outstanding dues to micro enterprises and small enterprises		-	-
ii. total outstanding dues to creditors other than micro enterprises and small enterprises		0.40	0.20
		0.40	0.20
TOTAL		2.91	3.17
B. ASSETS			
1. Current assets			
(a) Cash and cash equivalents	6	2.91	3.17
		2.91	3.17
TOTAL		2.91	3.17

See accompanying notes forming part of the financial statements 1 to 9

In terms of our report attached

For **Ravi Rajan & Co.**

Chartered Accountants

FRN - 009073N

For and on behalf of the Board of Directors

Ravi Kumar

Partner

MRN - 508424

Ambica Chaturvedi

(Director)

DIN No: 08091229

Tara Singh Vachani

(Director)

DIN No: 02610311

Place : New Delhi

Date : 14 May,2018

Place: New Delhi

Date : 14 May,2018

STATEMENT OF PROFIT AND LOSS

for the year ended 31 March, 2018

		Rs./lacs	
Particulars	Note No.	For the year ended 31 March, 2018	For the year ended 31 March, 2017
1. Income		-	-
2. Expenses			
(a) Other expenses	7	0.46	0.47
3. Total expenses		0.46	0.47
4. Loss before tax (1-3)		(0.46)	(0.47)
5. Tax expense		-	-
Loss after tax (4-5)		(0.46)	(0.47)
Earnings per share (of Rs. 10 each)			
- Basic and diluted	8.4	(0.92)	(0.94)
See accompanying notes forming part of the financial statements	1 to 9		

In terms of our report attached
 For **Ravi Rajan & Co.**
 Chartered Accountants
 FRN - 009073N

For and on behalf of the Board of Directors

Ravi Kumar
 Partner
 MRN - 508424

Ambica Chaturvedi
 (Director)
 DIN No: 08091229

Tara Singh Vachani
 (Director)
 DIN No: 02610311

Place : New Delhi
 Date : 14 May,2018

Place: New Delhi
 Date : 14 May,2018

CASH FLOW STATEMENT

for the year ended 31 March, 2018

		Rs./lacs	
Particulars	Note No.	For the year ended 31 March, 2018	For the year ended 31 March, 2017
A. Cash flow from operating activities			
Net loss before tax		(0.46)	(0.47)
Operating loss before working capital changes		(0.46)	(0.47)
Changes in working capital:			
Adjustments for (increase)/decrease in operating liabilities:			
Trade payables		0.20	-
Cash generated from operations		(0.26)	(0.47)
Net income tax paid		-	-
Net cash flow used in operating activities	A	(0.26)	(0.47)
B. Cash flow from investing activities	B	-	-
C. Cash flow from financing activities	C	-	-
Net Increase/(decrease) in cash and cash equivalents	(A+B+C)	(0.26)	(0.47)
Cash and cash equivalents at the beginning of the year		3.17	3.64
Cash and cash equivalents at the end of the period*	6	2.91	3.17
*Comprises:			
(a) Cash in hand		-	
(b) Balances with banks			
- in current accounts		2.91	3.17
Total		2.91	3.17

See accompanying notes forming part of the financial statements 1 to 9

In terms of our report attached
For **Ravi Rajan & Co.**
Chartered Accountants
FRN - 009073N

For and on behalf of the Board of Directors

Ravi Kumar
Partner
MRN - 508424

Ambica Chaturvedi
(Director)
DIN No: 08091229

Tara Singh Vachani
(Director)
DIN No: 02610311

Place : New Delhi
Date : 14 May,2018

Place: New Delhi
Date : 14 May,2018

Notes forming part of the financial statements

1 Corporate information

Antara Gurgaon Senior Living Limited ('the Company') is a wholly owned subsidiary of ANTARA SENIOR LIVING LIMITED. The Company has been set up to primarily engage in the business of development and sale, lease of senior living communities.

2 Significant Accounting Policies

(a) Basis of Preparation

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

(b) Uses of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

(c) Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk

of changes in value.

(d) Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(e) Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is neither recognised nor disclosed.

(f) Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per

share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value. Dilutive potential equity shares are determined independently for each period presented.

(g) Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Note 3 Share capital

Particulars	As at 31 March, 2018		As at 31 March, 2017	
	Number of shares	Amount Rs./ lacs	Number of shares	Amount Rs./ lacs
(a) Authorised				
Equity share capital	50,000	5.00	50,000	5.00
Equity shares of Rs. 10 (Previous year Rs. 10) each with voting rights				
(b) Issued, subscribed and fully paid up				
Equity share capital				
Equity shares of Rs. 10 (Previous year Rs. 10) each with voting rights	50,000	5.00	50,000	5.00
		5.00		5.00

Refer Notes (i) to (iv) below

- (i) The Company has one class of equity shares having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, holder 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.
- (ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2018		As at 31 March, 2017	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares with voting rights of Rs. 10 each				
ANTARA SENIOR LIVING LIMITED and its nominees ('holding company')	50,000	100.00	50,000	100.00

- (iii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening balance	Shares issued	Closing balance
Equity shares with voting rights of Rs. 10 each			
Year ended 31 March, 2018			
- Number of shares	50,000	-	50,000
- Amount (Rs./lacs)	5.00	-	5.00
Year ended 31 March, 2017			
- Number of shares	50,000	-	50,000
- Amount (Rs./lacs)	5.00	-	5.00

- (iv) Details of shares held by ANTARA SENIOR LIVING LIMITED, the holding company:

Particulars	Aggregate number of shares	
	As at 31 March, 2018	As at 31 March, 2017
Fully paid up equity shares with voting rights	50,000	50,000

Note 4 Reserves and surplus

Particulars	Rs./lacs	
	As at 31 March, 2018	As at 31 March, 2017
Surplus/(deficit) in Statement of Profit and Loss		
Opening balance	(2.03)	(1.56)
Add: Loss for the year	(0.46)	(0.47)
Total	(2.49)	(2.03)

Note 5 Trade payables

Particulars	Rs./lacs	
	As at 31 March, 2018	As at 31 March, 2017
Trade payables - Other than acceptances		
- total outstanding dues of micro enterprises and small enterprises (Refer note 8.8)	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	0.40	0.20
Total	0.40	0.20

Note 6 Cash and bank balances

Particulars	Rs./lacs	
	As at 31 March, 2018	As at 31 March, 2017
Cash and cash equivalents (as per AS 3 Cash Flow Statements)		
(a) Cash on hand	-	-
(b) Balances with banks		
(i) In current accounts	2.91	3.17
Total Cash and bank balances	2.91	3.17

Note 7 Other expenses

Particulars	Rs./lacs	
	For the year ended 31 March, 2018	For the year ended 31 March, 2017
(a) Rates and taxes	0.01	0.08
(b) Legal and professional	0.25	0.15
(c) Payment to auditors (Refer note below)	0.20	0.24
	0.46	0.47
Note		
Payments to auditors (excluding GST)		
a. Statutory audit fee	0.20	0.23
b. Reimbursement of out of pocket expenses	-	0.01
	0.20	0.24

8 Additional information to the Financial Statements :

- 8.1** As the Company's business activity primarily falls within a single business and geographical segment, there are no additional disclosures to be provided in terms of Accounting Standard 17 on 'Segment Reporting'.
- 8.2** The Company has carried out its tax computation in accordance with the mandatory standard on accounting, Accounting Standard 22 'Accounting for Taxes on Income'. In view of absence of virtual certainty of realisation of unabsorbed tax losses, deferred tax assets on unabsorbed tax losses has not been recognised.

8.3 Related party disclosures**List of related parties:**

Ultimate Holding Company	Max India Limited (formerly known as 'Taurus Ventures Limited')
Holding Company	ANTARA SENIOR LIVING LIMITED

8.4 Earnings per share (EPS):

		(Rs./lacs)	
Particulars		Year ended 31 March, 2018	Year ended 31 March, 2017
a.	Loss after tax attributable to equity shareholders	(0.46)	(0.47)
b.	Nominal value per share	10	10
c.	Weighted average number of equity shares for basic and dilutive earnings per share (No. of Shares)	50,000	50,000
d.	Basic and diluted earnings per share (in Rs.)	(0.92)	(0.94)

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

8.6 The Company did not have any long term commitments/contracts including derivative contracts for which there will be any material foreseeable losses.

8.7 There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

8.8 Based on the information available with the Company, the balance due to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 is Rs. Nil (Previous year Rs. Nil) and no interest has been paid or is payable during the year under the terms of the MSMED Act, 2006. This has been relied upon by the auditors.

9 Previous year's figures have been regrouped / reclassified, where necessary, to correspond with current year classification / disclosures.

For and on behalf of the Board of Directors**Ambica Chaturvedi**

(Director)

DIN No: 08091229

Tara Singh Vachani

(Director)

DIN No: 02610311

Place: New Delhi

Date : 14 May,2018



DIRECTORS' REPORT

For the Financial Year ended March 31, 2018

Dear Shareholders,

Your Directors have the pleasure in presenting the 15th Annual Report, along with the audited financial statements of Max Skill First Limited (your Company), for the financial year ended on 31st March 2018.

FINANCIAL PERFORMANCE

The Company's total income for the financial year was stable at Rs 44.9 crs (an increase of 0.6%) but its Profit After Tax (PAT), albeit positive, reduced to Rs 2.1 crs (from last year at Rs 4.74 crs) due to an increase in expenses for the business growth of the Company.

The summary of the financial highlights is shown below:

Particulars	(In Rupees)	
	2017-2018	2016-2017
Total Income	44,90,36,661	44,63,82,968
Operating Expenses	42,06,26,468	39,95,87,730
EBITDA	2,84,10,193	4,67,95,238
Depreciation	17,38,367	20,03,514
Finance cost	27,761	11,540
Taxes	56,85,625	(26,85,686)
Net Profit After Tax	2,09,58,440	4,74,65,870
No. of Equity Shares	96,95,000	96,95,000
Earnings Per Share	2.16	4.90

MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report.

OPERATIONS

Max Skill First provides sales and services training. Its major engagements continue to be with Max Life Insurance Company Limited, Max Healthcare Institute Limited and Max Bupa Health Insurance Co. Ltd. In addition, Max Skill First has also started providing sales and service training to external B2B clients in the BFSI sector in FY'18.

Further, Max Skill First has forayed into B2C training in the Allied Healthcare domain by opening its first direct-to-customer facility at Vaishali in August 2017. Max Skill First imparts four vocational diploma courses, namely Lab Technician, Operation Theatre Technician, Dialysis Technician and Radiology Technician to train aspirants willing to work in the Allied Healthcare space. These courses are affiliated with reputed national bodies and are well-recognized amongst healthcare service providers.

DIVIDEND

In order to conserve the resources of the Company for future growth, the Board of Directors of the Company has not recommended any dividend to the shareholders.

TRANSFER TO RESERVES

The Company did not transfer any amount to any reserve.

SHARE CAPITAL

During the year under review, there has been no change in the authorized share capital and paid up share capital of the Company. The authorized share capital of the Company, as on March 31, 2018, was Rs. 10,00,00,000/- (Rupees Ten Crore only) comprising of 1,00,00,000 equity shares of Rs. 10/- each.

The paid up share capital of the Company, as on March 31, 2018, was Rs. 9,69,50,000/- (Rupees Nine Crore Sixty-Nine lakhs Fifty Thousand only). The entire paid up share capital of the Company is held by Max India Limited (Formerly Taurus Ventures Limited).

SUBSIDIARIES

During the year under review, your Company has only one wholly owned subsidiary company named Max One Distribution and Services Limited, with a total investment of INR 5,60,00,000/- (Rupees Five Crore Sixty lacs only). There has been no material change in the nature of the business of the subsidiary company.

The financial performance of Max One Distribution and Services Limited is as under:

(Amount in Rs. 000s except per share value)		
Particulars	2017-2018	2016-2017
Total Income	1939	7189
Total Expenses	165	7501
Profit Before Tax	1774	(312)
Taxes	239	-
Profit After Tax	1535	(312)
Earnings Per Share	0.27	(0.06)

Pursuant to the provisions of Section 129, 134 and 136 of the Companies Act, 2013 read with rules framed thereunder, your Company was not required to prepare consolidated financial statements. A separate statement containing the salient features of financial statements of subsidiaries, joint ventures and associates in Form AOC-1 are forming part of the Annual Report as "Annexure-1".

The annual financial statements and related detailed information of the subsidiary companies shall be made available to the shareholders of the holding and subsidiary companies seeking such information on all working days during business hours. The financial statements of the subsidiary companies shall also be kept for inspection by any shareholder/s during working hours at the Company's registered office and that of the respective subsidiary companies concerned.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All the related party transactions entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Your Company had entered into transaction with related parties which could be considered material. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC2 are appended in "Annexure-2". Suitable disclosure as required by the Accounting standards (AS-18) has been made in the notes to the Financial Statements.

INTERNAL CONTROL

The Internal Auditor of the Company monitors the

internal control of the Company as well as all the compliance, accounting procedures and policies of the Company.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, your Company has constituted Internal Complaints Committee which is responsible for redressal of complaints related to sexual harassment. During the year under review, there were no complaints pertaining to sexual harassment.

FIXED DEPOSITS

During the year under review, your Company has not accepted any fixed deposits within the meaning of Section 73 of the Companies Act, 2013 and the rules made there under.

INSURANCE

Your Company has taken appropriate insurance for all assets against foreseeable perils.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and the Company's future operations.

BOARD OF DIRECTORS

There have been no changes in the Board of Directors of the Company during the year under review.

Pursuant to the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Rajesh Sud, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends his re-appointment, as director liable to retire by rotation, to the members of the Company.

The Company is not required to appoint any Independent Director on its Board pursuant to the provisions of the Companies Act (Act) and the rules made there under.

As on 31st March 2018, the Company had the following directors on its Board: -

- a) Mr. Rajesh Sud, Chairman of the Company
- b) Ms. Marielle Theron, Non-Executive Director

c) Mr. Rajit Mehta, Non-Executive Director

KEY MANAGERIAL PERSONNEL

Mr. Sanket Srivastava, Company Secretary has resigned from the Company with effect from 31st August 2017. The Board of directors appointed Ms. Astha Sharma as the Company Secretary of the Company with effect from 30th October 2017.

As on 31st March 2018, the Company has the following Key Managerial Personnel: -

- a) Mr. Rajender Sud, Chief Executive Officer
- b) Ms. Astha Sharma, Company Secretary

MEETINGS OF THE BOARD

During the financial year under review, six (6) Board meetings were held on 10th April 2017, 3rd May 2017, 1st August 2017, 30th October 2017, 30th January 2018 and 8th March 2018. The maximum time gap between any two meetings was not more than 120 days.

The attendance of each Director at the Board Meetings held during the year under review is as under:

Name of Directors	Meetings	
	Held	Attended
Mr. Rajesh Sud	6	5
Ms. Marielle Theron	6	6
Mr. Rajit Mehta	6	6

COMMITTEE OF BOARD OF DIRECTORS

The Company is not required to constitute any committee of Board of Directors in terms of the provisions of the Act and the rules made there under.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has invested in the securities of Max One Distribution and Services Limited and the Company has also granted loans in compliance to all requirements of Companies Act, 2013. Pursuant to Rule 11 of the Companies (Meetings of Board and its Power) Rules, 2014, the requirement of sub-section (3) of section 186 of the Act is not applicable on investments made by Company in its wholly owned subsidiaries.

The Company has not made any guarantees during the period under review which are to be covered under Section 186 of the Act.

AUDITOR & AUDITORS' REPORT

Pursuant to Section 139 & 142 of the Act, M/s S.R Batliboi & Co. (FRN 301003E) were appointed as the Statutory Auditors of the Company at the Annual

General Meeting held on September 28, 2016 for a period of five years.

There were no audit qualifications or reporting of fraud in the Statutory Auditors Report given by M/s S.R Batliboi & Co., Statutory Auditors of the Company for the FY 2017-18 as attached elsewhere in this Annual Report. The report given by Statutory Auditors is self-explanatory and therefore do not call for any comments under Section 134 of the Companies Act, 2013.

RISK MANAGEMENT

The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company's management systems, organizational structures, processes, standards, code of conduct and behaviors together form the Risk Management Policy that governs how the Company conducts the business and manages associated risks.

EXTRACTS OF ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extracts of the Annual Return as at March 31, 2018 forms part of this report as "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 and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, are explained as under:

(A) Conservation of Energy & Technology Absorption

The Company has taken measures to reduce the energy consumption, by using energy efficient equipment, incorporating latest technology and regular maintenance. No expenditures were incurred on Research and Development.

(B) Foreign Exchange Earnings and Outgo

During the year under report, there have been no foreign exchange earnings. However, there were following foreign expenditure incurred: -

S. No.	Particulars	Amount (in Rupees)
1.	Travelling and Conveyance	382,097
2.	Legal and Professional fees	204,029
	Total	586,126

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) and 134(5) of the Companies Act, 2013 and to the best of their knowledge and belief and according to the information and explanations obtained, your Directors hereby confirm that:

- (a) in the preparation of the annual financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) such accounting policies have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2018 and of the profit and loss of the Company for the year ended on that date;
- (c) proper and sufficient care had 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 preventing and detecting fraud and other irregularities;
- (d) the annual financial statements have been prepared on a going concern basis;

- (e) proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- (f) proper systems to ensure compliance with the provisions of all applicable laws including the compliance of applicable Secretarial Standards were in place and were adequate and operating effectively.

ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from the Shareholders and other business constituents during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff for their performance during the year.

By Order of the Board
For **Max Skill First Limited**

Rajesh Sud

Chairman

DIN: 02395182

Date:

Place:

ANNEXURE '1' TO BOARD'S REPORT FOR THE YEAR ENDED 31ST MARCH 2018**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. '000s)

MAX SKILL FIRST LIMITED

1. Name of the subsidiary -	Max One Distribution and Services Limited
2. Reporting period for the subsidiary concerned-	01/04/2017 to 31/03/2018
3. Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries-	N.A.
4. Share Capital-	Rs. 56,000
5. Reserves & Surplus-	Rs. (52,935)
6. Total assets-	Rs. 3,196
7. Total liabilities-	Rs. 3,196
8. Investments-	Nil
9. Turnover-	Rs. 1,939
10. Profit before taxation-	Rs. 1,774
11. Provision for taxation-	Rs. 239
12. Profit after taxation-	Rs. 1,535
13. Proposed Dividend-	Nil
14. % of shareholding-	100%

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

– Not Applicable

By Order of the Board
For **Max Skill First Limited**

Rajesh Sud

Chairman

DIN: 02395182

Date:

Place:

**ANNEXURE '2' TO BOARD'S REPORT FOR THE YEAR ENDED 31ST MARCH 2018
FORM NO. AOC-2**

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis: *Not Applicable*
 - (a) Name(s) of the related party and nature of relationship
 - (b) Nature of contracts/arrangements/transactions
 - (c) Duration of the contracts/arrangements/transactions
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any
 - (e) Justification for entering into such contracts or arrangements or transactions
 - (f) date(s) of approval by the Board
 - (g) Amount paid as advances, if any:
 - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188
2. Details of material contracts or arrangement or transactions at arm's length basis

S No.	Name of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or transactions Including the value	Date of approval by the Board	Amount paid as advances, if any
1.	Max Bupa Health Insurance Company Ltd.(Fellow Subsidiary)	Service Agreement	3 years	The Company provided sales and service training. The total contract value for FY 2017-18 was INR 5.50 Cr.	03.05.2017	No
2.	Max India Limited (Holding Company)	Functional Support	1 year	The Company took functional support in the operations of the Company from Max India Limited. The total agreement for FY 2017-18 was INR 40 lacs	03.05.2017	No

By Order of the Board
For **Max Skill First Limited**

Rajesh Sud

Chairman

DIN: 02395182

Date:

Place:

ANNEXURE '3' TO BOARD'S REPORT FOR THE YEAR ENDED 31ST MARCH 2018
FORM NO. MGT 9 (EXTRACT OF ANNUAL RETURN)

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS:

CIN	U85199DL2003PLC119249
Registration Date	04-03-2003
Name of the Company	MAX SKILL FIRST LIMITED
Category / Sub-category	Company limited by share/ Indian Non-Government Company
Address of the Registered office and contact details	Max House, 1, Dr. Jha Marg, Okhla, New Delhi – 110020 Tel No. 01142598000 Fax No. 01126324126
Whether listed company	No
Name, Address and Contact details of the Registrar & Transfer Agent	No

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated

Sr. No.	Name and description of main Products/ Services	NIC Code of the Product/ service	% to total turnover of the company
1	Other professional, scientific and technical activities n.e.c.	74909	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Max India Limited (Formerly Taurus Ventures Limited) 419, Bhai Mohan Singh Nagar, Railmajra, Tehsil Balachaur, Dist. Nawanshahr, Punjab – 144 533.	L85100PB2015PLC039155	Holding Company	100%	2 (46)
2.	Max One Distribution and Services Limited Max House, 1, Dr. Jha Marg, Okhla, New Delhi 110020	U74140DL2013PLC254577	Subsidiary Company	100%	2 (87).

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**A) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
(1) Indian									
a) Individual/ HUF	--	--	--	--	--	--	--	--	--
b) Central Govt	--	--	--	--	--	--	--	--	--
c) State Govt(s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp.	--	9695000	9695000	100%	--	9695000	9695000	100%	Nil
e) Banks / FI	--	--	--	--	--	--	--	--	--
f) Any other	--	--	--	--	--	--	--	--	--
Sub Total(A)(1)	--	9695000	9695000	100%	--	9695000	9695000	100%	Nil
(2) Foreign									
a) NRIs-Individuals	--	--	--	--	--	--	--	--	--
b) Other-Individuals	--	--	--	--	--	--	--	--	--
c) Bodies Corporate	--	--	--	--	--	--	--	--	--
d) Banks/FI	--	--	--	--	--	--	--	--	--
e) Any Other	--	--	--	--	--	--	--	--	--
Sub Total(A)(2)	--	--	--	--	--	--	--	--	--
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	--	9695000	9695000	100%	--	9695000	9695000	100%	Nil
B. Public Shareholding									
1. Institutions									
a) Mutual Funds / UTI	--	--	--	--	--	--	--	--	--
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)	--	--	--	--	--	--	--	--	--
Sub-total (B)(1):-	--	--	--	--	--	--	--	--	--
2. Non-Institutions									
a) Bodies Corporate	--	--	--	--	--	--	--	--	--
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)	--	--	--	--	--	--	--	--	--
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)	--	9695000	9695000	100%	--	9695000	9695000	100%	Nil

B) Shareholding of Promoter-

S. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Max India Limited (Formerly Taurus Ventures Limited)	9694950	100	Nil	9694950	100	Nil	Nil
2.	Mrs. Sujatha Ratnam*	01	--	Nil	01	--	Nil	
3.	Mr. V. Krishnan*	01	--	Nil	01	--	Nil	
4.	Mr. Jatin Khanna*	10	--	Nil	10	--	Nil	
5.	Mr. B. Das*	20	--	Nil	20	--	Nil	
6.	Mr. M.G. Rajagopalan*	07	--	Nil	07	--	Nil	
7.	Mr. Rajinder Kumar*	10	--	Nil	10	--	Nil	
8.	Mr. Pushkar Saran*	01	--	Nil	01	--	Nil	100
Total :		9695000	100%		9695000	100%		

* shares held as nominees of Max India Limited (Formerly Taurus Ventures Limited)

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

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	At the beginning of the year	9695000	100%	9695000	100%
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change during the year			
3.	At the end of the year	9695000	100%	9695000	100%

D) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs): NOT APPLICABLE**E) Shareholding of Directors and Key Managerial Personnel:**

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	At the beginning of the year	Nil	Nil	Nil	Nil
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Nil	Nil	Nil	Nil
3.	At the end of the year	0	0	0	0

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	Nil	19,16,34,399	Nil	19,16,34,399
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	Nil	19,16,34,399	Nil	19,16,34,399
Change in Indebtedness during the financial year	Nil	Nil	Nil	Nil
- Addition				
- Reduction				
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	19,16,34,399	Nil	19,16,34,399
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	Nil	19,16,34,399	Nil	19,16,34,399

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

- A. Remuneration to Managing Director, Whole-time Directors and/or Manager: **NA**
 B. Remuneration to other directors: **NIL**
 C. Remuneration to Key Managerial Personnel Other Than MD/ Manager/ WTD:

(amount in INR)					
S. no.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO Mr. Rajender Sud	Company Secretary Mr. Sanket Srivastava (for the period 01.04.2017- 30.08.2017)	Company Secretary Ms. Astha Sharma (for the period 01.11.2017- 31.03.2018)	
	Gross salary	2,49,64,815	3,71,833	4,13,448	2,57,50,096
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
	Stock Option	Nil	Nil	Nil	Nil
	Sweat Equity	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil
	- as % of profit				
	- others, specify...				
5.	Others, please specify	Nil	Nil	Nil	Nil
	Total	2,49,64,815	3,71,833	4,13,448	2,57,50,096

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

No penalties/punishment/compounding of offences have been imposed on the Company, its Directors and any other officers during the financial year ended March 31, 2018.

By Order of the Board
For **Max Skill First Limited**

Rajesh Sud

Chairman

DIN: 02395182

Date:

Place:

INDEPENDENT AUDITOR'S REPORT

To the Members of Max Skill First Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Max Skill First Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and Cash Flow Statement for the year 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 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 Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with 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 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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, 2018, 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 financial statements comply with the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014;
- (e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone financial statements 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 Atul Seksaria

Partner

Membership Number: 086370

Place of Signature: Gurugram

Date: May 16, 2018

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 Skill First Limited (“the Company”)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) Property, plant and equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company and hence not commented upon..
- (ii) The Company’s business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company and hence not commented upon.
- (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 of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors / to a company in which the Director is interested to which provisions of section 185 of the Companies Act, 2013 apply and hence not commented upon. Further, as per information and explanations given by the management, provisions of section 186 of the Companies Act 2013 in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company and hence not commented upon.
- (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 services of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales-tax, service tax, duty of custom, value added tax, goods and service tax, cess and other statutory dues applicable to it. The provisions relating to duty of excise 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, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, service tax, duty of customs, value added tax and cess, goods and services, which have not been deposited on account of any dispute.
- (viii) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to Government or dues to debenture holders during the year.
- (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 provisions of section 197 read with Schedule V of the Act are not applicable to the Company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.

(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 **S.R. Batliboi and Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Atul Seksaria**

Partner

Membership No: 086370

Place of Signature: Gurugram

Date: May 16, 2018

Annexure 2 to the Independent Auditor's Report of even date on the Financial Statements of Max Skill First Limited

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

We have audited the internal financial controls over financial reporting of Max Skill First Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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, 2018, 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 Atul Seksaria

Partner

Membership Number: 086370

Place of Signature: Gurugram

Date: May 16, 2018

BALANCE SHEET

as at March 31, 2018

	Notes	As at March 31, 2018	Amount in ₹ As at March 31, 2017
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	96,950,000	96,950,000
Reserves and surplus	4	(149,670,622)	(170,629,062)
		(52,720,622)	(73,679,062)
Non-current liabilities			
Long-term Provisions	5	12,648,065	8,781,240
		12,648,065	8,781,240
Current liabilities			
Short-term borrowings	6	191,634,399	191,634,399
Trade payables	7	-	-
-Total outstanding dues of micro enterprises and small enterprises		-	-
-Total outstanding dues of creditors other than micro enterprises and small enterprises		116,142,386	98,448,258
Other current liabilities	7	17,881,772	10,024,548
Short-term provisions	5	15,743,295	20,338,498
		341,401,852	320,445,703
TOTAL		301,329,295	255,547,881
ASSETS			
Non-current assets			
Fixed assets	8		
Property Plant and Equipment		3,332,004	1,903,571
Intangible assets		1,156,121	1,224,674
Non-current investments	9	56,000,000	56,000,000
Deferred tax assets (Net)	10	20,533,560	17,757,537
Loans and advances	11	34,622,574	7,858,128
Other non-current assets	12	2,234,618	2,079,496
		117,878,877	86,823,406
Current assets			
Trade Receivables	13	22,465,192	25,789,230
Cash and bank balances	14	44,905,883	89,858,703
Current investments	9	89,176,800	-
Loans and advances	11	13,243,263	17,821,763
Other current assets	12	13,659,280	35,254,779
		183,450,418	168,724,475
TOTAL		301,329,295	255,547,881
Summary of Significant Accounting Policies	2.1		

The accompanying notes are an integral part of financial statements

As per our separate report of even date attached

For S. R. Batliboi & Co. LLP

Firm registration number: 301003E/E300005

Chartered Accountants

Per Atul Seksaria

Partner

Membership no.: 086370

For and behalf of board of directors of Max Skill First Limited

THERON MARIELLE

(DIRECTOR)

DIN No.02667356

RAJENDRA SUD

(Chief Executive Officer)

ASTHA SHARMA

(Company Secretary)

Membership No. A32527

RAJIT MEHTA

(DIRECTOR)

DIN No.01604819

PUSHKAR SARAN

(SVP and Head -
Business Operations & Strategy)

Place : Gurugram

Date : May 16, 2018

Place : Gurugram

Date : May 16, 2018

STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2018

			Amount in ₹
Particulars	Notes	For the year ended on March 31, 2018	For the year ended on March 31, 2017
Incomes			
Revenue from operations	15	444,674,841	443,028,198
Other Income	16	4,361,820	3,354,770
Total Revenue		449,036,661	446,382,968
Expenses			
Employee benefit expense	17	327,893,317	329,652,748
Finance cost	18	27,761	11,540
Depreciation and amortisation	19	1,738,367	2,003,514
Other expenses	20	92,733,151	69,934,982
Total Expenses		422,392,596	401,602,784
Profit before tax		26,644,065	44,780,184
Tax expense :			
Current tax		10,234,052	15,071,851
Deferred tax		(2,776,023)	(8,268,339)
Previous period Tax Adjustment		(1,772,404)	-
Previous period Deferred Tax		-	(9,489,198)
Total tax expense		5,685,625	(2,685,686)
Profit after tax		20,958,440	47,465,870
Earnings per equity share (Nominal value Rs. 10 (March 31, 2017 Rs. 10))	21		
Basic and Diluted		2.16	4.90
Summary of Significant Accounting Policies	2.1		

The accompanying notes are an integral part of financial statements

As per our separate report of even date attached

For S. R. Batliboi & Co. LLP

Firm registration number: 301003E/E300005

Chartered Accountants

Per Atul Seksaria

Partner

Membership no.: 086370

For and behalf of board of directors of Max Skill First Limited

THERON MARIELLE

(DIRECTOR)

DIN No.02667356

RAJENDRA SUD

(Chief Executive Officer)

ASTHA SHARMA

(Company Secretary)

Membership No. A32527

RAJIT MEHTA

(DIRECTOR)

DIN No.01604819

PUSHKAR SARAN

(SVP and Head -
Business Operations & Strategy)

Place : Gurugram

Date : May 16, 2018

Place : Gurugram

Date : May 16, 2018

CASH FLOW STATEMENT

for the year ended March 31, 2018

	Amount in ₹	
	For the year ended on March 31, 2018	For the year ended on March 31, 2017
Cash flow from operating activities		
Profit before tax	26,644,065	44,780,184
Adjustments to reconcile profit before tax to net cash flows		
Liability/ provisions no longer required written back	-	(2,223,856)
Depreciation / Amortization	1,738,367	2,003,514
Profit on Sale of Mutual Funds	(3,005,672)	-
Interest income	(1,352,021)	(1,130,914)
Operating Profit Before Working Capital Changes	24,024,738	43,428,929
<i>Movement in working capital :</i>		
Increase/ (decrease) in trade payables	17,694,129	26,390,993
Increase/ (decrease) in long-term provisions	3,866,825	6,343,913
Increase/ (decrease) in short-term provisions	(4,595,203)	14,494,287
Increase/ (decrease) in other current liabilities	7,857,223	2,004,591
Decrease / (increase) in long-term loans and advances	(26,764,446)	10,064,886
Decrease / (increase) in short-term loans and advances	27,287,337	570,347
Decrease / (increase) in trade receivables	3,324,039	(12,715,650)
Decrease / (increase) in other current assets	21,595,499	15,251,034
Cash generated from/(used in) operations	74,290,142	105,833,329
Direct taxes paid (net of refunds)	31,170,485	22,919,440
Net cash flow from /(used in) operating activities (A)	43,119,657	82,913,889
Cash flow from investing activities		
Purchase of non- current investments	-	(11,000,000)
Purchase of current investments	(300,745,930)	-
Proceeds form sale/maturity of current investments	211,569,129	-
Profit on Sale of Current Investment (Mutual Funds)	3,005,672	-
Purchase of Tangible Assets	(2,578,026)	(169,155)
Purchase of Intangible Assets	(520,221)	(207,520)
Interest Received	1,196,899	1,287,172
Net cash flow from /(used in) investing activities (B)	(88,072,477)	(10,089,503)
Cash flow from financing activities		
Proceeds from issuance of share capital	-	-
Net cash flow from /(used in) financing activities (C)	-	-
Net Increase/(decrease) in cash and cash equivalents (A + B + C)	(44,952,821)	72,824,386
Cash and cash equivalents at the beginning of the year	89,858,703	17,034,317
Cash and cash equivalents at the end of the year	44,905,883	89,858,703

	Amount in ₹	
	For the year ended on March 31, 2018	For the year ended on March 31, 2017
Components of cash and cash equivalent		
Cash on hand	4,500	424
Cheques on hand	-	319,477
With banks - on current account	44,901,383	89,538,802
Total cash and cash equivalents	44,905,883	89,858,703
Summary of Significant Accounting Policies		

The accompanying notes are an integral part of financial statements

As per our separate report of even date attached

For S. R. Batliboi & Co. LLP

Firm registration number: 301003E/E300005
Chartered Accountants

Per Atul Seksaria

Partner
Membership no.: 086370

For and behalf of board of directors of Max Skill First Limited

THERON MARIELLE

(DIRECTOR)
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(Company Secretary)
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RAJIT MEHTA

(DIRECTOR)
DIN No.01604819

PUSHKAR SARAN

(SVP and Head -
Business Operations & Strategy)

Place : Gurugram
Date : May 16, 2018

Place : Gurugram
Date : May 16, 2018

Significant accounting policies and notes to the accounts

1 Corporate Information

Max Skill First Limited formerly known as Max Healthstaff International Limited is a Company registered under the Companies Act, 2013. The name of the company has been changed from "Max Healthstaff International Limited" to "Max Skill First Ltd" w.e.f 29 April 2015. With the change in its main objects (w. e.f. 4 February 2015) the company is engaged in the business to pursue the activities of learning and development and distribution of insurance and other financial products and investing in companies having similar objective.

Previously, the Company was engaged in the business of healthstaff staffing in India and overseas including imparting education and training to such healthstaff personnel more particularly in USA. The Placement of healthcare personnel in USA was subject to availability of immigrant visas which are currently unavailable given the visa retrogression in force. Accordingly the company has closed down its operations and has not renewed its registration for such operations with the Central Government.

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 this 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 and Companies (Accounting Standards) Amendment Rules 2016.. The financial statements have been prepared on accrual basis under the historical cost convention.

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except where a newly issued accounting standards is initially adopted or revision in accounting standards require a change in accounting policy thereto.

During the year the Company has earned profit of Rs. 20,958,440 (March 31, 2017 Rs. 47,465,870). As at March 31, 2018, the accumulated losses of the Company are Rs. 149,670,622 (March 31, 2017 Rs. 170,629,062) against share capital of Rs. 96,950,000 (March 31, 2017 Rs. 96,950,000). In the opinion of the management, in view of the commitment of continued financial support by the holding company and on the basis of the Company's future investment plans, the Company is continuing with a going concern assumption. Further, the Company

does not anticipate that it will not be able to realize its assets and discharge its liabilities in the normal course of business.

2.1 Summary of significant accounting policies

a 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.

b Tangible assets

Property, plant and equipment, Furniture & Fixture, capital work in progress 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, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Gains or losses arising from derecognition of property, plant and equipment 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.

The company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is

Significant accounting policies and notes to the accounts

significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

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.

c Depreciation on Tangible assets

Depreciation on property, plant and equipment is calculated on a written down value-line basis using the rates arrived at, based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

The company has used the following lives to calculate the rates to provide depreciation on its property, plant and equipment:

Motor Vehicles -	8 years
Computers -	3 Years
Furniture -	8 years
Plant -	15 Years
Equipment -	5 years

d 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 losses, 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 written down value basis over the estimated useful economic life. The company uses a rebuttable presumption that the useful life of an intangible asset will not exceed five years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds five years, the company amortizes the intangible asset over the best estimate of its useful life.

The amortization period and the amortization method are reviewed at least at each financial

year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

e Leases

Where the Company is a 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.

f Impairment of fixed 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

Significant accounting policies and notes to the accounts

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 asset 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.

g 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. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

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 proceeds is charged or credited to the statement of profit and loss.

h Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured

Training income

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

Courses Income

Revenues from Courses are recognized over the period of the courses. The company collects service tax & GST on behalf of the government and, therefore, it is not an economic benefit flowing to the company. Hence, it is excluded from revenue.

Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

i Foreign currency translation

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 measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date

Significant accounting policies and notes to the accounts

of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange differences

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

j Retirement and other employee benefits

Provident Fund

Retirement benefit in the form of Provident Fund is a defined benefit obligation as the Company and its employees are contributing to a provident fund Trust "Max India Limited Employees Provident Fund Trust" managed by the Company's holding company and its contributions are charged to statement of Profit and Loss of the year when the contributions to the respective heads are due. Shortfall in the fund, if any, is adequately provided for by the Company.

Gratuity

Gratuity Liability is a defined benefit plan and the costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out for each plan using the 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.

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.

Long Term Incentive Plan

Employees of the Company receive defined incentive, whereby employees render services for a specified period. Long term incentive plan is measured on accrual basis over the period as per the terms of the contract.

k Income Taxes

Direct 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 and tax laws prevailing in the respective tax jurisdictions where the company operates. 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

Significant accounting policies and notes to the accounts

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 taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company 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 company 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.

I 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 equity shares outstanding during the year.

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.

m 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.

n 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 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.

o Cash & 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.

Significant accounting policies and notes to the accounts

3 Share Capital

Amount in ₹		
	As at March 31, 2018	As at March 31, 2017
Authorised share Capital		
10,000,000 (March 31, 2017: 10,000,000) Equity Shares of Rs. 10 each	100,000,000	100,000,000
	100,000,000	100,000,000
Issued, Subscribed and Fully Paid-up Shares :		
9,695,000 (March 31, 2017: 9,695,000) Equity Shares of Rs. 10 each fully paid up	96,950,000	96,950,000
Total	96,950,000	96,950,000

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

Amount in ₹				
	As at March 31, 2018		As at March 31, 2017	
	No. of shares	Amount	No. of shares	Amount
Equity Shares				
At the beginning of the year	9,695,000	96,950,000	9,695,000	96,950,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	9,695,000	96,950,000	9,695,000	96,950,000

3.2 Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

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.

3.3 Shares held by holding Company

Out of equity shares issued by the company, shares held by its holding company are as below:

Amount in ₹		
Name of Shareholder	As at March 31, 2018	As at March 31, 2017
Max India limited *		
9,695,000 (March 31, 2017: 9,695,000) equity shares of Rs. 10 each fully paid (Max India Limited, the holding Company)	96,950,000	96,950,000
Total	96,950,000	96,950,000

* Includes 50 equity shares held by nominees of Max India Limited

3.4 Details of shareholder holding more than 5% shares in the Company:

Name of the Shareholder	As at March 31, 2018		As at March 31, 2017	
	No. of shares	% held	No. of shares	% held
Max India Limited	9,695,000	100	9,695,000	100

As per the records of the Company, including its register of shareholders / members and other declarations received from shareholders, regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Significant accounting policies and notes to the accounts

4 Reserves and Surplus

	Amount in ₹	
	As at March 31, 2018	As at March 31, 2017
Deficit in the statement of Profit and Loss		
Balance as per last financial statements	(170,629,062)	(218,094,932)
Profit for the year	20,958,440	47,465,870
Net Deficit in the Statement of Profit and Loss	(149,670,622)	(170,629,062)
Total Reserves and Surplus	(149,670,622)	(170,629,062)

5 Provisions

	Amount in ₹			
	Short Term		Long Term	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Provision for employee benefits				
Provision for Gratuity (Note 17.1)	3,033,776	7,018,452	12,648,065	8,781,240
Provision for leave encashment	12,709,519	13,320,046	-	-
	15,743,295	20,338,498	12,648,065	8,781,240

6 Short term borrowings

	Amount in ₹	
	As at March 31, 2018	As at March 31, 2017
Interest Free Loan from Max India Limited repayable on demand (Unsecured)	191,634,399	191,634,399
	191,634,399	191,634,399

7 Trade Payable & Other Current Liabilities

	Amount in ₹	
	As at March 31, 2018	As at March 31, 2017
Trade Payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	116,142,386	98,448,258
	116,142,386	98,448,258
Other Liabilities		
Unearned Revenue	3,927,791	-
Statutory dues	13,953,981	10,024,548
	17,881,772	10,024,548
	134,024,158	108,472,806

7.1 Disclosures required under the Micro, Small & Medium Development Act, 2006

- I- Delayed payments due as at the end of each accounting year on account of Principal – Rs. Nil and Interest due thereon – Rs. Nil
- II- Total interest paid on all delayed payments during the year under the provisions of the Act – Rs. Nil
- III- Interest due on principal amounts paid beyond the due date during the year but without the interest amounts under this Act – Rs. Nil
- IV- Interest accrued but not due– Rs. Nil (Represents interest accrued as at the end of the year but not due as interest is computed at monthly rests from the due date)
- V- Total Interest Due but not paid – Rs. Nil (Represents all interest amounts remaining due together with that from prior year(s) until such date when the interest was actually paid to the small enterprises. Mainly to ascertain the amount of interest disallowable for income tax purposes)

Significant accounting policies and notes to the accounts

8 Fixed Assets		Amount in ₹								
		GROSS BLOCK				DEPRECIATION/ AMORTISATION			NET BLOCK	
		As at April 1, 2017	Additions	Sales/ Adjustments	As at March 31, 2018	As at April 1, 2017	For the period	Sales/ Adjustments	As at March 31, 2018	As at March 31, 2017
Property Plant and Equipment										
	Computers	883,052	889,447		1,772,499	522,847	501,339	-	1,024,186	748,313
	Furniture and Fittings	-	639,817	-	639,817	-	103,984	-	103,984	535,833
	Equipments	-	864,737	-	864,737	-	76,135	-	76,135	788,602
	Plant & Machinery	-	184,026	-	184,026	-	21,276	-	21,276	162,750
	Motor Vehicles	2,250,003	-	-	2,250,003	706,637	446,859	-	1,153,496	1,096,507
		3,133,055	2,578,026	-	5,711,081	1,229,484	1,149,593	-	2,379,077	3,332,004
Intangible Assets										
	Content		250,000		250,000	-	37,538	-	37,538	212,462
	Development									
	Software	2,483,121	270,221	-	2,753,342	1,258,447	551,236	-	1,809,682	943,659
		2,483,121	520,221	-	3,003,342	1,258,447	588,773	-	1,847,220	1,156,121

Significant accounting policies and notes to the accounts

9 Non- Current & Current Investments

Amount in ₹				
	Non Current		Current	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Non Trade Investments (Valued at cost Unless stated otherwise)				
Investment in Subsidiary				
Unquoted equity instruments				
Max One Distribution and Services Limited	56,000,000	56,000,000	-	-
5,600,000 (March 31, 2017: 5,600,000) Equity shares of Rs. 10 each fully paid up				
Current Investments (valued at lower of cost and fair value, unless stated otherwise)				
Unquoted Mutual Funds	-	-	-	-
HDFC Liquid Fund- Direct Plan- Growth Option				
9900.706 (March 31, 2017: Nil) units of Face value Rs. 1000/- per unit.	-	-	32,969,389	-
ICICI Prudential Liquid-Direct Plan-Growth				
1,29,941.946 (March 31, 2017: Nil) units of Face value Rs. 100/- per unit.	-	-	32,492,674	-
RELIANCE LIQUID FUND - TREASURY PLAN - DIRECT GROWTH PLAN - GROWTH OPTION				
5,734.694 (March 31, 2017: Nil) units of Face value Rs. 1000/- per unit.	-	-	23,714,737	-
	56,000,000	56,000,000	89,176,800	-

Notes:

- During the year, the company has invested in Mutual Funds for better utilization of Funds.
- The Company has made long term strategic investment in its subsidiary Max One Distribution and Services Limited operating in the business of providing platform for financial products. The Subsidiary is into operating losses and has accumulated losses due to the initial gestation period and the business will require some time to generate operating profits. In view of long term growth opportunities, management believes that there is no diminution other than temporary in the value of this investment.

10 Deferred Tax Assets (Net)

Amount in ₹		
	As at March 31, 2018	As at March 31, 2017
Deferred Tax Liability		
Fixed Assets: Impact of difference between tax depreciation and depreciation/amortisation charged for the financial reporting	-	96,086
Gross Deferred Tax Liability	-	96,086
Deferred Tax Assets		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for the tax purposes on payment basis.	20,487,207	17,853,623
Fixed Assets: Impact of difference between tax depreciation and depreciation/amortisation charged for the financial reporting	46,353	-
Gross Deferred Tax Assets	20,533,560	17,853,623
Net Deferred Tax Assets	20,533,560	17,757,537

Significant accounting policies and notes to the accounts

11 Loans and advances

	Non Current		Current	
	As at	As at	As at	As at
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Unsecured, considered good unless stated otherwise				
Security Deposits	659,055	54,000	-	-
Other loans and advances				
Tax deducted at source receivable (Net of Provision for taxation)	33,963,519	7,804,128	9,747,484	13,198,037
Balance with statutory / government authorities	-	-	41,169	3,150,857
Prepaid expenses	-	-	1,859,304	527,026
Others	-	-	1,595,306	945,843
	34,622,574	7,858,128	13,243,263	17,821,763

12 Other Assets

	Non Current		Current	
	As at	As at	As at	As at
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Unsecured, considered good				
Non Current bank balances *	1,850,329	1,594,658	-	-
Interest accrued on Fixed Deposits	384,289	484,838	-	-
Unbilled Revenue	-	-	13,659,280	35,254,779
	2,234,618	2,079,496	13,659,280	35,254,779

13 Trade Receivables

	Amount in ₹	
	As at	As at
	March 31, 2018	March 31, 2017
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	7,672,391	2,788,324
	7,672,391	2,788,324
Other receivables		
Unsecured, considered good	14,792,801	23,000,906
	22,465,192	25,789,230

14 Cash & Bank Balances

	Non Current		Current	
	As at	As at	As at	As at
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Cash and Cash equivalents				
Balances with banks				
On Current Accounts	-	-	44,901,383	89,538,802
Cash in hand	-	-	4,500	424
Cheques on hand	-	-	-	319,477
Other bank balances				
Margin Money*	1,850,329	1,594,658	-	-
Less : Amount disclosed under Non Current Assets	(1,850,329)	(1,594,658)	-	-
	-	-	44,905,883	89,858,703

* To secure bank guarantee given to Protector General of Emigrants

Significant accounting policies and notes to the accounts

15 Revenue from operations

	Amount in ₹	
	For the year ended March 31, 2018	For the year Ended March 31, 2017
Revenue from operations		
Training Income	444,674,841	443,028,198
	444,674,841	443,028,198

16 Other Income

	Amount in ₹	
	For the year ended March 31, 2018	For the year Ended March 31, 2017
Liabilities/Provisions No Longer Required Written Back	-	2,223,856
Profit on sale of Mutual Funds	3,005,672	-
Gain on foreign exchange fluctuation	4,127	-
Interest Income on		
Fixed Deposits	172,358	165,469
Loan given to Max One Distribution and Services Limited	-	893,360
Others	1,179,663	72,085
	4,361,820	3,354,770

17 Employee benefit expenses

	Amount in ₹	
	For the year ended March 31, 2018	For the year Ended March 31, 2017
Salaries, wages and bonus	310,876,471	316,399,013
Contribution to provident and other funds	9,477,437	9,317,835
Gratuity expense (Note 17.1)	4,499,194	2,291,073
Staff welfare expenses	3,040,215	1,644,827
	327,893,317	329,652,748

17.1 Gratuity

The Company has a defined benefit Gratuity Plan. Under Gratuity Plan, every employee who has completed 5 years or more of services gets a gratuity on departure at 15 days of last drawn salary for each completed year of service.

The following table summarises the component of net benefit expense recognised in the statement of Profit and Loss and the amount recognised in the Balance Sheet in respect of defined benefit plans.

	Amount in ₹	
	March 31, 2018	March 31, 2017
Statement of Profit and Loss		
<i>Net employee benefit expense recognised in employee cost</i>		
Current service cost	2,146,797	2,086,688
Past service cost	582,145	-
Interest cost on benefit obligations	1,145,478	195,438
Actuarial (gain)/loss	624,774	8,947
Net Benefit Expense	4,499,194	2,291,073
Balance Sheet		
<i>Benefit Assets / Liability</i>		
Present value of Defined Benefit Obligations	15,681,841	15,799,692
Fair value of Plan assets	-	-
Funded Status	-	-
Plan Liability	15,681,841	15,799,692

Significant accounting policies and notes to the accounts

	Amount in ₹	
	March 31, 2018	March 31, 2017
Changes in the present value of the defined benefit obligations are as follows :		
Opening defined benefit obligations	15,799,692	2,442,975
Current Service Cost	2,146,797	2,086,688
Past Service Cost	582,145	-
Interest cost	1,145,478	195,438
Benefits paid	(4,617,045)	(4,410,539)
Liability transferred from Group Companies		15,476,183
Actuarial (gain)/loss on obligation	624,774	8,947
Closing defined benefit obligations	15,681,841	15,799,692
The principal assumptions used in determining benefit obligations for the gratuity is shown below.		
Discount Rate	7.25%	6.75%
Salary Increase	8%	8%
Retirement age	58 Years	58 years

Amounts for current year and previous four years are as follows

	Amount in ₹				
	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Defined Benefit Obligation	15,681,841	15,799,692	2,442,975.00	-	130,154
Plan Assets		-	-	-	862,983
Surplus / (Deficit)	(15,681,841)	(15,799,692)	(2,442,975)	-	732,829
Experience adjustments on plan assets	-	-	-	-	(1,984)
Experience adjustments on plan liabilities	-	(4,073,557)	-	-	11,249

17.2 Gratuity

The Company has a deposit of Rs. 10,18,200/- as at 31st Mar 2018 (Previous Year Rs. 9,45,843) under Employee Group Gratuity Scheme with Life Insurance Corporation of India. The above deposit was made in the name of Max Healthstaff International Ltd (Old name of Company). Since Max Skill First Ltd is not utilizing this deposit against payment of gratuity liability hence same has not been considered in actuarial valuation of gratuity liability as at 31st Mar 2018 and previous year also.

17.3 Provident Fund

The Company has set up a provident fund trust "Max India Limited Employees Provident Trust Fund" which is a common fund for Max India Limited and its subsidiaries. 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 Company and its subsidiaries.

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, 2018 as per the actuarial valuation of active members are as follows:

	Amount in ₹	
	March 31, 2018	March 31, 2017
Plan assets at year end at fair value	122,254,856	113,504,997
Present value of defined benefit obligation at year end	120,567,261	111,801,869
Surplus as per actuarial certificate	1,687,595	1,703,128
Shortfall recognised in balance sheet	-	-
Active members as at year end (Nos)	322	306

Significant accounting policies and notes to the accounts

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

	March 31, 2018	March 31, 2017
Discount rate for the term of the obligation	7.18%	7.51%
Average historic yield on the investment portfolio	8.94%	8.79%
Guaranteed rate of return	8.55%	8.65%

18. Finance Cost

	Amount in ₹	
	For the year ended March 31, 2018	For the year Ended March 31, 2017
Bank Charges	27,761	11,540
Total	27,761	11,540

19. Depreciation and amortization expense

	Amount in ₹	
	For the year ended March 31, 2018	For the year Ended March 31, 2017
Depreciation of property plant and equipment	1,149,593	1,090,391
Amortization of intangible assets	588,773	913,123
Total	1,738,367	2,003,514

20. Other Expenses

	Amount in ₹	
	For the year ended March 31, 2018	For the year Ended March 31, 2017
Rent	1,723,000	204,000
Infrastructure Cost	8,824,654	7,086,999
Insurance	2,696,794	2,560,389
Rates and Taxes	32,792	138,587
Recruitment & Relocation Expenses	3,420,750	3,292,211
Communication	1,164,025	848,951
Legal and Professional fees	35,442,499	24,683,448
Business promotion	4,975,000	4,618,300
Printing & Stationery	979,807	698,382
Travelling and Conveyance	25,107,193	18,363,221
Advertising and Marketing	2,265,320	-
Training Expenses	4,358,263	6,891,148
Interest on delay of statutory dues	811,005	168,514
Miscellaneous Expenses	932,049	380,832
Less: Overheads Recovered *	-	-
	92,733,151	69,934,982

	Amount in ₹	
	For the year ended March 31, 2018	For the year Ended March 31, 2017
Payment to Auditor		
As auditor		
Audit fee	500,000	500,000
	500,000	500,000

Significant accounting policies and notes to the accounts

21. Earnings per share (EPS)

	Amount in ₹	
	For the year ended March 31, 2018	For the year Ended March 31, 2017
Basic and Diluted		
Profit After Tax (Rs.)	20,958,440	47,465,870
Weighted average number of equity share outstanding during the year (Nos)	9,695,000	9,695,000
Basic Earning per share (Rs.)	2.16	4.90
Dilutive Earning per share (Rs.)	2.16	4.90

22. Related Party Transactions

Names of related parties where control exists irrespective of whether transactions have occurred or not

Holding Company	Max India Limited
Subsidiary Company	Max One Distribution and Services Limited
Fellow Subsidiaries	Max Bupa Health Insurance Company Limited Pharmax Corporation Limited Antara Senior Living Limited Antara Purukul Senior Living Limited Antara Gurgaon Senior Living Limited Max Ateev Limited Max UK Limited, UK
Employee benefit funds	Max Financial Services Ltd. Employees' Provident Fund Trust

22.1 Related Parties Disclosures

	Amount in ₹							
Particulars	Holding company		Subsidiaries		Fellow Subsidiaries		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Transactions during the year:								
Reimbursement of expenses received								
-Max India Ltd.Employee's Provident Fund Trust	-	50,130	-	-	-	-	-	50,130
Services received								
-Max India Limited	4,000,000	3,400,000	-	-	-	-	4,000,000	3,400,000
Training Services rendered								
- Max Bupa Health Insurance Company Limited	-	-	-	-	50,166,000	50,799,996	50,166,000	50,799,996
Rent Payment								
- Pharmax Corporation Limited	-	-	-	-	72,000	204,000	72,000	204,000
Security Deposit received back								
- Pharmax Corporation Limited	-	-	-	-	-	54,000	-	54,000
Repayment of loan given								
- Max One Distribution and Services Limited	-	-	-	10,000,000	-	-	-	10,000,000
Interest on loan given								
- Max One Distribution and Services Limited	-	-	-	893,359	-	-	-	893,359
Investment in equity shares								
- Max One Distribution and Services Limited	-	-	-	11,000,000	-	-	-	11,000,000
Company's Contribution towards Retirements								
-Max India Ltd.Employee's Provident Fund Trust	14,326,009	13,999,805	-	-	-	-	14,326,009	13,999,805
Balance Outstanding at the end of year:								
Amount Payable - Max India Limited								
- Short Term Borrowings	191,634,399	191,634,399	-	-	-	-	191,634,399	191,634,399

Significant accounting policies and notes to the accounts

Particulars	Amount in ₹							
	Holding company		Subsidiaries		Fellow Subsidiaries		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
- Services	1,080,000	2,026,500	-	-	-	-	1,080,000	2,026,500
Amount Payable - Max India Ltd. Employee's Provident Fund Trust								
- Company's Contribution towards Retirements	1,220,902	1,120,006	-	-	-	-	1,220,902	1,120,006
Amount Payable - Pharmax Corporation Limited								
- Rent	-	-	-	-	-	6,300	-	6,300
Security Deposit								
- Pharmax Corporation Limited	-	-	-	-	54,000	54,000	54,000	54,000
Amount Receivable - Max Bupa Health Insurance Company Limited								
- Services	-	-	-	-	(300,000)	16,996,002	(300,000)	16,996,002

23 Expenditure in Foreign Currency

	Amount in ₹	
	As at March, 31 2018	As at March 31, 2017
Travelling and Conveyance	382,097	-
Legal and Professional fees	204,029	-
	586,126	-

24 Contingent Liabilities

	Amount in ₹	
	As at March, 31 2018	As at March 31, 2017
Bank guarantee *	-	1,000,000

* The Company has given bank guarantee of Rs.1,000,000 to The President of India acting through Protector General of Emigrants, Ministry of Labour, New Delhi. The guarantee was given for satisfying the conditions to act as an recruiting agent failing or neglecting to observe and discharge the set terms and conditions and decisions of the Government. Due to the enforcement of Visa retrogression in USA, the company has not renewed the registration certificate with Protector General of Emigrants, Government of India.

25. There is no Micro, Small and Medium Enterprise to which the Company owes dues, which are outstanding for more than 45 days during the period April 01, 2017 to March 31, 2018. 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.

26. Previous year figures have been regrouped / reclassified, where necessary, to conform to this year's classification.

As per our separate report of even date attached

For S. R. Batliboi & Co. LLP

Firm registration number: 301003E/E300005
Chartered Accountants

Per Atul Seksaria

Partner
Membership no.: 086370

For and behalf of board of directors of Max Skill First Limited

THERON MARIELLE

(DIRECTOR)
DIN No.02667356

RAJENDRA SUD

(Chief Executive Officer)

ASTHA SHARMA

(Company Secretary)
Membership No. A32527

RAJIT MEHTA

(DIRECTOR)
DIN No.01604819

PUSHKAR SARAN

(SVP and Head -
Business Operations & Strategy)

Place : Gurugram
Date : May 16, 2018

Place : Gurugram
Date : May 16, 2018

**MAX ONE
DISTRIBUTION AND
SERVICES LIMITED**

DIRECTORS' REPORT

For the Financial Year ended March 31, 2018.

Dear Shareholders,

Your Directors have the pleasure in presenting the 5th Annual Report along with the audited financial statements of your Company for the financial year ended on 31st March, 2018.

Your Company was incorporated on June 28, 2013 and have now completed almost five years of operations. On March 19, 2015, it became a wholly owned subsidiary of Max Healthstaff International Limited (Now Max Skill First Limited) which is a wholly owned subsidiary of Max India Limited.

FINANCIAL RESULTS

(In Rupees Thousands)

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Sales	1,910	7,083
Total Income	1,939	7,189
Operating Expenses	164	6,578
Depreciation	1	30
Interests	0	893
Taxes	239	0
Net Profit After Tax	1,535	(312)
No. of Equity Shares*	56,00,000	56,00,000
EPS*	0.27	(0.06)

*mentioned in actual numbers

MATERIAL CHANGES AFFECTING FINANCIAL POSITION

There are no material changes and commitments, affecting financial position of the Company which has occurred between end of the financial year of the Company i.e. March 31, 2018 and date of this Directors' Report.

OPERATIONS

Your Company commenced business operations on October 3, 2013. The Company undertakes and carry on the distribution of financial products. Collectively agents of the Company had sourced 3,976 policies with 155 Lacs worth of commissionable premium since inception till July 2017.

SHARE CAPITAL

During the year under review, there was no change in the Authorized Share Capital and Paid up Share Capital of the Company. The Authorized Share capital of the

Company, as on March 31, 2018, was Rs. 5,70,00,000/- (Rupees Five Crore Seventy Lacs only) comprising of 57,00,000 equity shares of Rs. 10/- each.

The Paid-up capital of the Company as on March 31, 2018 was Rs. 5,60,00,000/- (Rupees Five Crore Sixty Lacs only). The entire share capital of the Company is owned by Max Skill First Limited (formerly Max Healthstaff International Limited). The ultimate holding company is Max India Limited, a public limited company in India.

TRANSFER TO RESERVES

The Company did not transfer any amount to any reserve.

SUBSIDIARIES

During the year under review, your Company did not have any subsidiary, associate or joint venture company.

CONSOLIDATED FINANCIAL STATEMENTS

Since there was no subsidiary, associate or joint venture of the Company, your Company did not require to prepare consolidated financial statements for the financial year 2017-2018.

DIVIDEND

In order to conserve the resources of the Company for future growth, the Board of Directors of the Company has not recommended any dividend to the shareholders.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Pursuant to the provisions of the Companies Act, 2013, All Related Party Transactions (RPTs) entered into during the financial year under review were in the ordinary course of business of the Company and were on arm's length basis. There were no materially significant RPTs entered into by the Company with Promoters, Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interest of the Company.

Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC2 is not applicable. However, details of all RPTs have been elaborately disclosed in the Notes to the Financial Statements of the Company for the financial year ending 31st March, 2018 attached elsewhere in this Annual Report.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System,

commensurate with the size, scale and complexity of its operations.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

During the year under review, there is only one employee who is seconded by the holding company. Accordingly, The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 is not applicable on Company. However, Max Skill First Limited, Holding Company has Internal Complaints Committee which is responsible for redressal of complaints related to sexual harassment.

INSURANCE

Your Company has taken appropriate insurance for all assets against foreseeable perils.

FIXED DEPOSITS

During the year under review, the Company has not accepted any fixed deposits within the meaning of Section 73 of the Companies Act, 2013 and the rules made there under.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and the Company's future operations.

PARTICULARS OF EMPLOYEES

During the year under review, the Company has not employed any individual who are in receipt of remuneration. Therefore, disclosures as required pursuant to the provisions of Section 197 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 were not applicable on Company.

BOARD OF DIRECTORS

The Board of Directors comprises of Mr. Rajesh Sud (Chairman), Mr. Rahul Ahuja, Mr. Rohit Kapoor and Mr. V. Krishnan. There has been no change in the Board of Directors of the company during the year under review.

Pursuant to the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. V. Krishnan being the longest in the office shall retire at the ensuing AGM and being eligible, offers himself for re-appointment. The Board recommends his re-appointment, as director liable to retire by rotation, to the members of the Company.

The Company is not required to appoint any Independent Director or Woman Director on its Board pursuant to the provisions of the Companies Act, 2013 and the rules made there under.

KEY MANAGERIAL PERSONNEL

Mr. Sanket Srivastava, Company Secretary has resigned from the Company with effect from 31st August, 2017 and the Board of directors had appointed Ms. Astha Sharma as the Company Secretary of the Company with effect from 2nd February, 2018.

MEETINGS OF THE BOARD

During the financial year under review, four (4) Board meetings were held on 3rd May 2017, 1st August 2017, 30th October 2017, 2nd February, 2018. The maximum time gap between any two meetings was not more than 120 days.

The attendance of each Director at the Board Meetings held during the year under review is as under:

Name of Directors	Meetings	
	Held	Attended
Mr. Rajesh Sud	4	4
Mr. Rahul Ahuja	4	2
Mr. Rohit Kapoor	4	2
Mr. V. Krishnan	4	3

COMMITTEE OF BOARD OF DIRECTORS

The Company is not required to constitute any committee of Board of Directors in terms of the provisions of the Companies act, 2013 and the rules made there under.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loan, given any guarantee or provides security in connection with a loan and acquired any securities during the year under review which are to be covered under Section 186 of the Companies Act, 2013.

AUDITOR & AUDITORS' REPORT

Pursuant to Section 139 & 142 of the Companies Act, 2013, M/s Nangia & Co., Chartered Accountants, were appointed as the Statutory Auditors of the Company at Annual General Meeting held on September 25, 2014 for a period of four years.

There were no audit qualifications or reporting of fraud in the Statutory Auditors' Report given by M/s Nangia & Co., Statutory Auditors of the Company for the FY 2017-18 as annexed elsewhere in this Annual Report. The report given by Statutory Auditors is self-

explanatory and therefore do not call for any comments under Section 134 of the Companies Act, 2013.

RISK MANAGEMENT

The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company's management systems, organizational structures, processes, standards, code of conduct and behaviors together form Risk Management Policy that governs how the Company conducts business and manages associated risks.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) and 134(5) of the Companies Act, 2013 and to the best of their knowledge and belief and according to the information and explanations obtained, your Directors hereby confirm that:

- (a) in the preparation of the annual financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) such accounting policies have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2018 and of the profit and loss of the Company for the year ended on that date;
- (c) proper and sufficient care had 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 preventing and detecting fraud and other irregularities;
- (d) the annual financial statements have been prepared on a going concern basis;
- (e) proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- (f) proper systems to ensure compliance with the provisions of all applicable laws including the

compliance of applicable Secretarial Standards were in place and were adequate and operating effectively.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNING AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, are explained as under:

(A) Conservation of Energy & Technology Absorption

The Company has taken measures to reduce the energy consumption, by using energy efficient equipment, incorporating latest technology and regular maintenance. No expenditures were incurred on Research & Development.

(B) Foreign Exchange Earnings and Outgo

There has been no foreign exchange earnings and outgo during the year under report.

EXTRACTS OF ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extracts of the Annual Return as at March 31, 2018 forms part of this report as **Annexure 1.**

ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from holding company and their employees, directors and KMP's, ultimate holding company and their employees, directors and KMP's and other business constituents during the year under review.

By Order of the Board
For **Max One Distribution and Services Limited**

Date:
Place:

Rajesh Sud
Chairman
DIN: 02395182

Annexure: MGT 9

ANNEXURE '1' TO BOARD'S REPORT FOR THE YEAR ENDED 31ST MARCH, 2018

FORM NO. MGT 9 (EXTRACT OF ANNUAL RETURN)

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS:

CIN	U74140DL2013PLC254577
Registration Date	June 28, 2013
Name of the Company	Max One Distribution and Services Limited
Category / Sub-category	Company limited by share/ Indian Non-Government Company
Address of the Registered office and contact details	1, Dr. Jha Marg, Okhla. New Delhi – 110020 Tel No. 01142598000 Fax No. 01126324126
Whether listed company	No
Name, Address and Contact details of the Registrar & Transfer Agent	No

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Commission earned (for selling of Mutual funds)	65991	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Max India Limited (Formerly Taurus Ventures Limited) 419, Bhai Mohan Singh Nagar, Railmajra, Tehsil Balachaur, Dist. Nawanshahr, Punjab – 144533.	L85100PB2015PLC039155	Ultimate Holding Company	100%	2 (46)
2.	Max Skill First Limited Max House, 1, Dr. Jha Marg, Okhla, New Delhi – 110020	U85199DL2003PLC119249	Holding Company	100%	2 (46)

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

A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
(1) Indian									
a) Individual/ HUF	--	--	--	--	--	--	--	--	--
b) Central Govt	--	--	--	--	--	--	--	--	--
c) State Govt(s)	--	--	--	--	--	--	--	--	--

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
d) Bodies Corp.	--	5600000	5600000	100%	--	5600000	5600000	100%	Nil
e) Banks / FI	--	--	--	--	--	--	--	--	--
f) Any other	--	--	--	--	--	--	--	--	--
Sub Total(A)(1)	--	5600000	5600000	100%	--	5600000	5600000	100%	Nil
(2) Foreign									
a) NRIs-Individuals	--	--	--	--	--	--	--	--	--
b) Other-Individuals	--	--	--	--	--	--	--	--	--
c) Bodies Corporate	--	--	--	--	--	--	--	--	--
d) Banks/FI	--	--	--	--	--	--	--	--	--
e) Any Other	--	--	--	--	--	--	--	--	--
Sub Total(A)(2)	--	--	--	--	--	--	--	--	--
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	--	5600000	5600000	100%	--	5600000	5600000	100%	Nil
B. Public Shareholding	--	--	--	--	--	--	--	--	--
1. Institutions	--	--	--	--	--	--	--	--	--
a) Mutual Funds / UTI	--	--	--	--	--	--	--	--	--
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)	--	--	--	--	--	--	--	--	--
Sub-total (B)(1):-	--	--	--	--	--	--	--	--	--
2. Non-Institutions	--	--	--	--	--	--	--	--	--
a) Bodies Corporate	--	--	--	--	--	--	--	--	--
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)	--	--	--	--	--	--	--	--	--
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)	--	5600000	5600000	100%	--	5600000	5600000	100%	Nil

B) Shareholding of Promoter-

S. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Max Skill First Limited (Formerly Max Healthstaff International Ltd.)	5599940	100	Nil	5599940	100	Nil	Nil
2.	Mrs. Sujatha Ratnam*	10	--	Nil	10	--	Nil	
3.	Mr. Rahul Ahuja*	10	--	Nil	10	--	Nil	
4.	Mr. V. Krishnan*	10	--	Nil	10	--	Nil	
5.	Mr. Vaibhav Gupta*	10	--	Nil	10	--	Nil	
6.	Mr. M.G. Rajagopalan*	10	--	Nil	10	--	Nil	
7.	Mr. Rajinder Kumar*	10	--	Nil	10	--	Nil	
	Total :	5600000	100%		5600000	100%		Nil

* shares held as nominees of Max Skill First Limited (Formerly Max Healthstaff International Limited)

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

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	5600000	100%	5600000	100%
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change during the year			
3.	At the end of the year	5600000	100%	5600000	100%

D) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs): NOT APPLICABLE**E) Shareholding of Directors and Key Managerial Personnel:**

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	20*	0.00	20*	0.00
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Nil	Nil	Nil	Nil
3.	At the end of the year	20*	0.00	20*	0.00

* shares held as nominees of Max Skill First Limited (Formerly Max Healthstaff International Limited)

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

(Amount in INR)

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

VI. **REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

- A. Remuneration to Managing Director, Whole-time Directors and/or Manager: **NA**
- B. Remuneration to other directors: **NIL**
- C. Remuneration to Key Managerial Personnel Other Than MD/ Manager/ WTD: **NIL**

VII. **PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

No Penalties/punishment/compounding of offences have been imposed on the Company, its Directors and any other officers during the financial year ended March 31, 2018.

By Order of the Board
For **Max One Distribution and Services Limited**

Rajesh Sud
Chairman
DIN: 02395182

Date:
Place:

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF Max One Distribution and Services Limited, New Delhi

Report on the Financial Statements

We have audited the accompanying financial statements of **Max One Distribution and Services Limited** ("the Company") which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the 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 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 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 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 misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 the 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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, 2018, its profits 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 issued by the Central Government of India in terms of Section 143(11) of the Act (hereinafter referred to as the 'Order') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in Annexure 'A', a Statement on the matters specified in paragraph 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 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 Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified 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, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of sub-section (2) of section 164 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 B".
 - 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 Nangia & Co. LLP

Chartered Accountants
ICAI FRN 002391C

(Vikas Gupta)

Partner,
Membership # 076879

Signed at New Delhi on May 11, 2018

Annexure 'A' to the Independent Auditors' Report

Annexure referred to under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date to the members of **Max One Distribution and Services Limited** on the financial statements for the year ended on March 31, 2018 and based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of accounts and other records examined by us in the normal course of audit, we report that:

i. In respect of fixed assets:

- (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) The fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to information and explanations given to us, there is no immovable property held by the Company during the year. Therefore, the provisions of para 3(i)(c) of the Order are not applicable to the Company.

ii. The Company is a service company, engaged in the field of advisory services and investment activities does not hold any physical inventory. Therefore, the provisions of paragraph 3(ii) of the Order are not applicable to the Company.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of para 3(iii)(a) to 3(iii) (c) of the Order are not applicable to the Company.

iv. According to the information and explanations given to us, the Company has not given any loan to Directors or persons connected with them as per the provisions mentioned in section 185 of the companies Act, 2013.

According to the information and explanations

given to us, the Company has not made any investments, loans, guarantees and securities to any person or other bodies corporates as per the provisions mentioned in section 186 of the Companies Act, 2013.

v. In respect of public deposit:

According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 73 to 76 of the Companies Act, 2013 and the rules framed there-under. Therefore, the provisions of para 3(v) of the Order are not applicable to the Company.

vi. In respect of cost records:

In our opinion and according to information and explanations given to us, maintenance of cost records has not been prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 for the services provided by the company.

vii. In respect of statutory dues:

a) According to the information and explanations given to us and based on our examination of the books of account, the Company has generally been regular in depositing its undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues to the appropriate authorities to the extent applicable. There are no undisputed dues payable, outstanding as on 31st March, 2018 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no amounts in respect of Income Tax, Service Tax etc. that have not been deposited with the appropriate authorities on account of any dispute.

viii. The Company has not taken any loans from financial institutions, Banks, Government or through debenture during the year.

ix. According to the information and explanations given to us, we report that no monies have been raised by way of term loans. Further, the Company has not raised any money by way of initial public offer/ further public offer or any debt instrument

during the financial year.

- x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us, no managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with schedule V to the Act.
- xii. As explained, the Company is not a Nidhi company. Therefore, the provisions of para 3(xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the provisions of para 3(xiii) of the Order are not applicable to the Company.

Further, according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts)

Rules, 2014.

- xiv. According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, the provisions of para 3(xiv) of the Order are not applicable to the Company.
- xv. According to the information and explanations given to us, no non-cash transactions with Directors or persons connected with him have been noticed or reported during the year as per the provisions of Section 192 of Companies Act, 2013.
- xvi. According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Nangia & Co. LLP

Chartered Accountants

ICAI FRN 002391C

(Vikas Gupta)

Partner,

Membership # 076879

Signed at New Delhi on May 11, 2018

Annexure 'B' to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of **Max One Distribution and Services Limited ("the Company")** as of March 31, 2018 in conjunction with our audit of financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' 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 judgment, 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 2018, 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 Nangia & Co. LLP

Chartered Accountants

ICAI FRN 002391C

(Vikas Gupta)

Partner,

Membership # 076879

Signed at New Delhi on May 11, 2018

BALANCE SHEET

As At March 31, 2018

		Amount in ₹ 000s	
Particulars	Note No	As at March 31, 2018	As at March 31, 2017
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	56,000	56,000
Reserves and surplus	3	(52,935)	(54,470)
		3,065	1,530
Non-current liabilities			
Long-term provisions		-	-
		-	-
Current liabilities			
Trade payables	4		
-Trade outstanding dues of micro enterprises and small enterprises		-	-
-Trade outstanding dues of creditors other than micro enterprises and small enterprises		17	31
Other current liabilities	5	50	508
Short-term provisions	6	64	-
		131	539
Total		3,196	2,069
ASSETS			
Non-current assets			
Fixed assets	7		
-Tangible assets		8	9
-Intangible assets		19	19
		27	28
Current assets			
Trade receivables	8	95	198
Cash and cash equivalents	9	2,004	314
Other current assets	10	1,070	1,529
		3,169	2,041
Total		3,196	2,069
Significant Accounting Policies	1		
Notes to the Accounts	2 to 24		

Auditor's Report

"As per our separate report of even date"

FOR NANGIA & CO. LLP
CHARTERED ACCOUNTANTS
FRN No. 002391C

VIKAS GUPTA
F. C. A. Partner
MRN 076879

FOR Max One Distribution and Services Limited

Rahul Ahuja
Director
DIN.06533944
53, First Floor
Friends Colony East
New Delhi – 110 065

V Krishnan
Director
DIN.00402601
A-38, Lajpat Nagar
Sahibabad
U.P. – 201 005

Astha Sharma
Company Secretary
MRN A32527
Plot no-12, Local Shopping Complex
Sector B-1, Vasant Kunj
New Delhi-110070

Signed at New Delhi on May 11, 2018

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STATEMENT OF PROFIT AND LOSS

For the Year Ended on March 31, 2018

			Amount in ₹ 000	
Particulars	Note No	For the year ended on March 31, 2018	For the year ended on March 31, 2017	
Incomes				
Revenue from operations	11	1,910	7,083	
Other Income	12	29	106	
Total Revenue		1,939	7,189	
Expenses				
Employee benefits expense	13	-	5,178	
Finance Cost	14	-	893	
Depreciation and amortization expense	7	1	30	
Other expenses	15	164	1,400	
Total Expenses		165	7,501	
Profit before tax		1,774	(312)	
Tax expense:				
Current tax		239	-	
MAT Credit availed (Refer Note 21)				
Deferred tax (Refer Note 21)		-	-	
Profit (Loss) for the period		1,535	(312)	
Earnings per equity share (Nominla Value of ₹ 10 per share):				
Basic		0.27	(0.06)	
Diluted		0.27	(0.06)	

Significant Accounting Policies

1

Notes to the Accounts

2 to 24

Auditor's Report

"As per our separate report of even date"

FOR NANGIA & CO. LLP

CHARTERED ACCOUNTANTS

FRN No. 002391C

VIKAS GUPTA

F. C. A. Partner

MRN 076879

FOR Max One Distribution and Services Limited

Rahul Ahuja

Director

DIN.06533944

53, First Floor

Friends Colony East

New Delhi – 110 065

V Krishnan

Director

DIN.00402601

A-38, Lajpat Nagar

Sahibabad

U.P. – 201 005

Astha Sharma

Company Secretary

MRN A32527

Plot no-12, Local Shopping Complex

Sector B-1, Vasant Kunj

New Delhi-110070

Signed at New Delhi on May 11, 2018

CASH FLOW STATEMENT

For the Year Ended on March 31, 2018

Particulars	Amount in 000₹	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Cash flows from operating activities		
Net profit / (Loss) before tax and extraordinary items	1,774	(312)
Adjustments for:		
-Depreciation	1	30
Operating Profit/(Loss) before working capital changes	1,775	(282)
<i>Adjustments for changes in working capital</i>		
(Increase)/Decrease in trade receivables	103	131
(Increase)/Decrease in other current assets	459	21
(Increase)/Decrease in short term borrowings	-	(10,340)
Increase/(Decrease) in long term liabilities	-	(278)
Increase/(Decrease) in trade payables	(15)	(3)
Increase/(Decrease) in other current liabilities	(458)	(1,468)
Increase/(Decrease) in short term provisions	-	(4)
Net cash generated from/ (used in) operating activities (before taxes)	1,864	(12,223)
Income Taxes Paid (TDS Receivable)	175	-
Net cash generated from/ (used in) operating activities (A)	1,690	(12,223)
Cash flows from investment activities		
-Purchase of fixed assets	-	-
-Sale proceeds of fixed assets	-	89
Net cash generated from/ (used in) investing activities (B)	-	89
Cash flows from financing activities		
-Capital Inflow	-	11,000
Net cash generated from/ (used in) financing activities (C)	-	11,000
Net increase/(decrease) in cash/cash equivalents (A+B+C)	1,690	(1,133)
Cash and Cash Equivalents at beginning of the year	314	1,447
Cash and Cash Equivalents at end of the year	2,004	314

Notes:

- 1) The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 on Cash Flow Statements.
- 2) Cash and Cash Equivalents at the end of the year consist of Balances with Banks.

Particulars	Amount in 000₹	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Balances with Banks	2,004	314
	2,004	314

Significant Accounting Policies

Notes to the Accounts

Auditor's Report

"As per our separate report of even date"

FOR NANGIA & CO. LLP
CHARTERED ACCOUNTANTS
FRN No. 002391C

VIKAS GUPTA
F. C. A. Partner
MRN 076879

FOR Max One Distribution and Services Limited

Rahul Ahuja
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V Krishnan
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A-38, Lajpat Nagar
Sahibabad
U.P. – 201 005

Signed at New Delhi on May 11, 2018

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Significant accounting policies and notes to the accounts for the year ended on March 31, 2018

Background

Max One Distribution and Services Ltd. ('the Company') was incorporated on 28 June' 2013 as a public limited company under the Companies Act, 1956 to undertake and carry on the distribution of various financial products.

1 Significant accounting policies

a Basis of preparation of financial statements

These financial statements have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on accrual basis to comply in all material respects with the Accounting Standards (AS) specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. The accounting policies adopted in the preparation of financial statements have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy used until now (hitherto) with those of previous year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. Based on the nature of services and the time between the rendering of services and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current - non current classification of assets and liabilities.

b Use of estimates

The preparation of financial statements in conformity with the generally accepted accounting principles ('GAAP') in India requires management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, assets and liabilities and disclosures relating to contingent assets & contingent liabilities as of the date of the financial statements and the results of operations during the reporting period. Examples of such estimates include estimates of income taxes, employment retirement benefit plans, provision for doubtful debts and advances and estimated useful life of fixed assets. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in

current & future periods.

c Fixed Assets

Tangible Assets

Fixed assets are stated at the cost of acquisition including incidental costs related to acquisition and installation less accumulated depreciation. The actual cost capitalized includes material cost, freight, installation costs, duties and taxes, finance charges and other incidental expenses incurred during the construction / installation stage.

Fixed Assets acquired during business acquisitions are accounted for at the fair market value of the assets.

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 losses, 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.

d Depreciation /Amortization

Depreciation on fixed assets is charged on the Written Down Value Method over their estimated useful lives as prescribed under Schedule II to the Companies Act, 2013. However if the management's estimate of the useful life of the asset is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of useful/remaining life. Depreciation is charged on a pro-rata basis for assets purchased/sold during the year.

Asset Useful life (in yrs.)

Software	3
Computer	3
Office Equipment	5

e Revenue Recognition

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

Revenue from the rendering of service is

Significant accounting policies and notes to the accounts for the year ended on March 31, 2018

recognized as the service is performed by the proportionate completion method / service contract method.

All other item of income are accounted on accrual basis.

f 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 reported using the closing rate. 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 transaction.

Exchange Differences: Exchange differences arising on the settlement of 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 expense 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.

g Tax Expenses

Income tax expense comprises current tax as per Income Tax Act, 1961 and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet 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 tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized only to the extent there is reasonable certainty that the asset can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of earning sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain, as the case may be, to be realized.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company 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 company 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.

h Employee Benefits

The Company's obligations towards various employee benefits have been recognized as follows:

Short-term employee benefits

All employee benefits payable within twelve months of rendering service are classified as short-term employee benefits. Benefits such as salaries, allowances, short-term compensated absences and the expected cost of other benefits is recognised in the period in which the employee renders the related service.

Post employment benefits:

Defined contribution plans: The Company's Provident Fund and the Superannuation scheme is a defined contribution plan where

Significant accounting policies and notes to the accounts for the year ended on March 31, 2018

the contribution paid/ payable under the scheme is recognised as an expense in the period in which the employee renders the related service. The Company's contributions towards Provident Fund and Superannuation Fund deposited with the Regional Provident Fund Commissioner. Employees Group Superannuation Scheme respectively are charged to Statement of Profit and Loss.

The Company's gratuity scheme is a defined benefit plan. The present value of obligation under such defined benefit plan is determined based on actuarial valuation carried at the yearend using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, is based on market yields on Government securities as at the balance sheet date.

Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

Other long term benefits:

Benefits under the Company's leave encashment constitute other long term employee benefits, recognised as an expense in the Statement of Profit and Loss for the period in which the employee has rendered services. Estimated liability on account of these benefits is actuarially determined based on the projected unit credit method using the yield on government bonds, as on the date of the balance sheet, as the discounting rate. Actuarial gains and losses are charged to the Statement of Profit and Loss.

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 expenses 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 12 months, as long term employee benefits for measurement purpose. Such long term compensated absences are provided for based on the actuarial valuation using projected unit credit method at the year end.

i 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 dilutive potential equity shares.

j 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.

k Contingent liability & Contingent Assets

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.

Contingent assets are neither recorded nor disclosed in the financial statements.

Significant accounting policies and notes to the accounts for the year ended on March 31, 2018

2 Share Capital

Amount in ₹ 000s		
Particulars	As at March 31, 2018	As at March 31, 2017
Authorized Capital		
57,00,000 Equity Shares of ₹ 10 each	57,000	57,000
Issued, Subscribed and Paid up:		
56,00,000 Equity Shares of ₹ 10 each fully paid up	56,000	56,000
Total	56,000	56,000

- a) Shares held by holding/ultimate holding company and/or their subsidiaries/associates:

Particulars	As at March 31, 2018	As at March 31, 2017
Max Skill First Limited *	5,600,000	5,600,000

* Formally known as Max Health staff International limited

- b) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period is as given below

Particulars	As at March 31, 2018	As at March 31, 2017
Shares outstanding at the beginning of the year	5,600,000	4,500,000
Shares issued during the year	-	1,100,000
Shares outstanding at the end of the year	5,600,000	5,600,000

- c) Terms/rights attached to equity shares :

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

The equity shareholders of the Company are entitled to get the dividend as and when proposed by the Board of Directors and approved by shareholders in the ensuing Annual General Meeting.

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.

- d) Shares in the Company held by each shareholder holding more than 5 percent shares specifying the number of shares held is as given below:

Name of Shareholder	As at March 31, 2018		As at March 31, 2017	
	No of Shares	% Holding	No of Shares	% Holding
Max Skill First Limited *	5,600,000	100%*	5,600,000	100%*

*including shares held by its nominees

- e) The Company has not allotted any fully paid up equity shares without payment being received in cash and by way of bonus shares nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date.

Significant accounting policies and notes to the accounts for the year ended on March 31, 2018

3 Reserves and Surplus

Amount in ₹ 000s		
Particulars	As at March 31, 2018	As at March 31, 2017
Surplus		
Opening balance	(54,470)	(54,158)
(+) Net Profit/(Net Loss) For the current year	1,535	(312)
Closing Balance	(52,935)	(54,470)
Total	(52,935)	(54,470)

4 Trade Payables

Amount in ₹ 000s		
Particulars	As at March 31, 2018	As at March 31, 2017
Trade outstanding dues of micro enterprises and small enterprises	-	-
Trade outstanding dues of creditors other than micro enterprises and small enterprises	17	31
Total	17	31

Trade payables are due in respect of goods and services received in the normal course of business.

5 Other Current Liabilities

Amount in ₹ 000s		
Particulars	As at March 31, 2018	As at March 31, 2017
Statutory Liabilities (Includes TDS & PF)	5	173
Employees Payable	-	261
Other Payables	45	74
Total	50	508

6 Short Term Provisions

Amount in ₹ 000s		
Particulars	As at March 31, 2018	As at March 31, 2017
Provision for Income Tax (Net off TDS)	64	-
Total	64	-

7 Fixed Assets

PARTICULARS	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
	As at April 1, 2017	Addi- tions	Sales/ Adjust- ments	As at March 31, 2018	As at April 1, 2017	For the year	Sales/ Adjust- ments	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
Tangible Assets										
Computer	151	-	-	151	144	-	-	144	8	8
Office Equipment	10	-	-	10	9	1	-	10	-	1
	161	-	-	161	153	1	-	154	8	9
Intangible Assets										
Software	384	-	-	384	365	-	-	365	19	19
	384	-	-	384	365	-	-	365	19	19
TOTAL	545	-	-	545	518	1	-	519	27	28
Previous year	1,078	-	533	545	930	30	444	518	28	148

* Net value of Computer and software is the residual value of the assets as the useful life of the assets is exhausted in the last financial year.

Significant accounting policies and notes to the accounts for the year ended on March 31, 2018

8 Trade Receivables

Amount in ₹ 000s		
Particulars	As at March 31, 2018	As at March 31, 2017
Unsecured - Considered Good		
Outstanding for a period exceeding 6 months	-	-
Others	95	198
Total	95	198

9 Cash and Cash Equivalents

Amount in ₹ 000s		
Particulars	As at March 31, 2018	As at March 31, 2017
Balances with banks	2,004	314
Total	2,004	314

10 Other Current Assets

Amount in ₹ 000s		
Particulars	As at March 31, 2018	As at March 31, 2017
Dues Recoverable	10	-
Dues with Statutory Authorities	1,013	547
Unbilled Revenue	38	129
TDS Receivables	-	853
Prepaid Expenses	9	-
Total	1,070	1,529

11 Revenue from operations

Amount in ₹ 000s		
Particulars	For the year ended March, 31 2018	For the year Ended March 31,2017
Sale of Services	1,910	7,083
Total	1,910	7,083

12 Other Income

Amount in ₹ 000		
Particulars	For the year ended March, 31 2018	For the year Ended March 31,2017
Interest income on Income tax refund	6	6
Sundry Balances Written Back	23	-
Excess provision written back		
- Leave Encashment	-	78
- Gratuity fund	-	22
Total	29	106

13 Employee Benefits Expense

Amount in ₹ 000		
Particulars	For the year ended March, 31 2018	For the year Ended March 31,2017
Salaries and Wages	-	4,983
Contributions to		
Provident fund	-	195
Total	-	5,178

Significant accounting policies and notes to the accounts for the year ended on March 31, 2018

14 Finance Costs

Amount in ₹ 000		
Particulars	For the year ended March, 31 2018	For the year Ended March 31,2017
Interest on Short Term Loan	-	893
Total	-	893

15 Other Expenses

Amount in ₹ 000		
Particulars	For the year ended March, 31 2018	For the year Ended March 31,2017
Audit Fees	50	50
Statutory Fee & duties	15	63
Legal & Professional expenses	80	129
Manpower consultancy	-	370
Communication Exp	4	20
Travel & Conveyance	-	61
Bank Charges	-	0.4
Membership and Subscription	9	201
Printing & Stationary	-	8
Rent	-	494
Misc. Expenses	5	-
Interest on TDS	1	-
Interest on Service Tax	0	4
Total	164	1,400

16 Earning Per Share

Amount in ₹ 000			
Particulars	Reference	For the year ended March, 31 2018	For the year Ended March 31,2017
Net profit/ (Loss) attributable to equity shareholders (₹)	A	1,535	(312)
Weighted Average Number of Equity Shares outstanding	B	5,600,000	4,921,918
Face Value per Share (₹)	C	10	10
Basic Earnings/(Loss) per equity share (₹)	A/B	0.27	(0.06)
Diluted Earnings/ (Loss) per enquiry share (₹)	A/B	0.27	(0.06)

17 Payment to Auditors

Amount in ₹ 000		
Particulars	For the year ended March, 31 2018	For the year Ended March 31,2017
As Auditors		
- Audit Fees	50	50
- Other Services	-	8
- Reimbursement of Expenses	3	-
Total	53	58

Significant accounting policies and notes to the accounts for the year ended on March 31, 2018

18 Related Party Disclosures

As per accounting standard 18 on "Related party Disclosure" as notified under Companies (Accounting Standard) Rules 2006, the disclosure of transactions with the related party is as under:

a) **Related Party where control exists:**

Max India Limited	Ultimate Holding Company
Max Skill First Limited	Holding company
Max Bupa Health Insurance Company Limited	Fellow subsidiaries
Pharmax Corporation Limited	Fellow subsidiaries
Max Ateev Limited	Fellow subsidiaries
Max UK Limited, Uk	Fellow subsidiaries
Antara Senior Living Limited	Fellow subsidiaries
Antara Purukul Senior Living Private Limited	Fellow subsidiaries
Antara Gurgaon Senior Living Limited	Fellow subsidiaries

b) **Key Managerial Personnel where transactions have taken place during the year:**

None

c) **Transactions with Related Parties:**

Particulars	Amount in ₹ 000	
	For the year ended March, 31 2018	For the year Ended March 31,2017
Share Allotment		
Max Skill First Limited	-	11,000
Expenses		
Max Life Insurance Company Limited	-	87
Max Skill First Limited (Interest on Short Term Loan taken)	-	893

19 Information pursuant to the provisions of Section 22 of Micro, Small and Medium Enterprises Development Act, 2006.

During the year the Company has not paid any interest in terms of the section 18 of the above mentioned act. No principal amount or interest amount are due at the end of this accounting year which is payable to any Micro, Small or Medium enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006.

As per the Act, the Company is required to identify the Micro and small suppliers and pay them interest on overdue beyond the specified period irrespective of the terms agreed with the suppliers. Based on the information available with the Company, none of the creditors have confirmed the applicability of Act on them. Hence, the liability of the interest and disclosure are not required to be disclosed in the financial statements.

20 The Company is operating in single line of business and all the other activities revolve around the main business and entire business is conducted within India, hence in accordance with AS-17- "Segment Reporting" there are no separate reportable segments either on the basis of business segmentation or geographical segmentation.

21 As per paragraph 17 of Accounting Standard 22 "Accounting for Taxes on Income", as per the projections and estimates of the management, there is no virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which deferred tax assets can be realised. Accordingly the Company has not recognised deferred tax assets.

During the current year, the Company has tax payable under MAT provisions. Pursuant to para 11 on guidance note on accounting for MAT Credit available, as per the projections and estimates of the management, there is no convincing evidence that the company will pay normal income tax during the specified period in which the MAT Credit can be availed. Accordingly MAT Credit has not been recognised in the current financial year.

Significant accounting policies and notes to the accounts for the year ended on March 31, 2018

- 22** The accounts of certain trade receivables, trade payables, other current assets and other current liabilities are subject to confirmation / reconciliation and adjustment, if any. The management does not expect any material difference affecting the current year's financial statements.

In the opinion of the management, the trade receivables and current assets are expected to realize at least the amount at which they are stated, if realized in the ordinary course of business and provision for all known liabilities have been adequately made in the books of accounts.

- 23** The Current Year refers to the year April 01, 2017 to March 31, 2018. (Previous year refers to April 01, 2016 to March 31, 2017).

The previous year figures have been regrouped, rearranged and reclassified wherever necessary to conform to this year's classification.

- 24** All Figures are in Indian Rupees (₹) unless otherwise stated rounded off to the nearest 000's.

FOR NANGIA & CO. LLP
CHARTERED ACCOUNTANTS
FRN No. 002391C

VIKAS GUPTA
F. C. A. Partner
MRN 076879

FOR Max One Distribution and Services Limited

Rahul Ahuja
Director
DIN.06533944
53, First Floor
Friends Colony East
New Delhi – 110 065

V Krishnan
Director
DIN.00402601
A-38, Lajpat Nagar
Sahibabad
U.P. – 201 005

Astha Sharma
Company Secretary
MRN A32527
Plot no-12, Local Shopping Complex
Sector B-1, Vasant Kunj
New Delhi-110070

Signed at New Delhi on May 11, 2018

PHARMAX CORPORATION LIMITED

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have great pleasure in presenting the 29th Board's Report together with the Audited Statement of Accounts for the financial year ended March 31, 2018. This Board's report is prepared on the basis of Standalone financial statements of the Company for the financial year ended March 31, 2018.

FINANCIAL RESULTS & OPERATIONS

(in Rupees)		
Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Revenue from Operations	2,36,00,850	3,95,33,515
Other Income	2,45,50,599	48,88,807
Total Income	4,81,51,449	4,44,22,322
Operating Expenses	4,62,70,967	3,15,16,438
EBDITA	18,80,482	1,29,05,884
Depreciation	42,92,966	73,63,601
Finance Costs	67,525	13,65,104
Taxes	1,06,22,768	1,01,33,335
Net Profit After Tax	(1,31,02,777)	(59,56,156)
No. of Equity Shares	5,53,25,752	5,53,25,752
EPS	(0.24)	(0.11)

The Company has, leasing of its properties situated at 1, Dr. Jha Marg, Okhla, New Delhi – 110 020 to its group companies as its only business activity.

Revenue earned from operations during the year under review has decreased to Rs. 2,36,00,850/- as against Rs. 3,95,33,515/- during the corresponding previous financial year. The decrease in revenue income was primarily on account of vacation of certain properties of the Company which were leased out to group companies.

SHARE CAPITAL

The Authorized Share Capital of the Company as on March 31, 2018 was Rs. 25,70,00,000/- (Rupees Twenty Five Crore Seventy Lakh only) comprising of (i) 6,00,00,000 equity shares of Re. 1 each, (ii) 4,70,000 – 10% Cumulative Convertible Preferences Shares of Rs. 100/- each and (iii) 15,00,000 – 9% Cumulative Redeemable Preference Shares of Rs. 100/- each.

The Paid-up Capital of the Company as on March 31, 2018 was Rs. 20,53,25,752/- (Rupees Twenty Crore Fifty Three Lakh Twenty Five Thousand Seven Hundred and

Fifty Two only) comprising of 5,53,25,752 fully paid up equity shares of Re. 1/- each and 15,00,000 fully paid up 9% cumulative redeemable preference shares of Rs. 100/- each.

There has been no change in the Authorized and Paid-up Share capital of the Company during the year under review.

HOLDING, SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANY

The Company does not have any Subsidiary.

The particulars of the Holding and Associate Company are given in the extracts of Annual Return (Form- MGT-9) annexed with this report.

Form AOC-1 containing salient features of financial statements of Company's associate company is attached as Annexure-I.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the requirements of Companies Act, 2013 ('the Act') and applicable Accounting Standards, the Audited Consolidated Financial Statements form part of Annual Report of the Company for Financial Year 2017-18.

DIVIDEND

In view of losses incurred during the year under review, your directors have not recommended any dividend for the financial year ended March 31, 2018, on the shares of the Company.

BOARD OF DIRECTORS

The Board of Directors of the Company in its meeting held on November 8, 2017, approved the appointment of Mr. Jatin Khanna as the Managing Director of the Company for a period of two years without payment of any remuneration and he shall not be liable to retire by rotation during his tenure as the Managing Director of the Company. The terms and conditions of his appointment are included in the Notice of the ensuing Annual General Meeting (AGM) seeking approval of the shareholders.

As on March 31, 2018, the Board of Directors comprised of 5 (five) members with 1 (one) Executive Director and 4 (four) Non-Executive Directors of which 2 (two) were Independent.

In terms of Section 152 of the Act, Mr. Patnam

Dwarakanath (DIN: 00231713) shall retire at the ensuing AGM and being eligible, offers himself for re-appointment.

The relevant information containing detailed profiles of Mr. Jatin Khanna and Mr. Patnam Dwarakanath form part of Notice of Annual General Meeting.

The Board met 8 times during the year under review as per details given below:

S.No.	Date of Board Meeting	Number of Directors Present (Board Strength- 5)
1	April 3, 2017	4
2	April 15, 2017	5
3	May 26, 2017	5
4	July 13, 2017	4
5	August 10, 2017	5
6	November 8, 2017	4
7	February 26, 2018	4
8	March 26, 2018	5

STATEMENT OF DECLARATION BY INDEPENDENT DIRECTORS

In terms of Section 149(7) of the Act, the Company has received declaration of Independence from its Independent Directors namely Mrs. Kiran Sharma and Mr. Sanjay Khandelwal.

COMMITTEE OF BOARD OF DIRECTORS

The Company has the following committees which have been established in compliance with the requirements of the relevant provisions of applicable laws and statutes.

1. Audit Committee:

The Audit Committee of the Company as on March 31, 2018 comprised of Mrs. Kiran Sharma, Mr. Sanjay Khandelwal and Mr. Jatin Khanna. Two meetings of the Committee were held during the financial year 2017-18 viz. on May 26, 2017 and November 8, 2017, in the presence of all its members.

2. Nomination & Remuneration Committee:

The Nomination & Remuneration Committee of the Company as on March 31, 2018 comprised of Mrs. Kiran Sharma, Mr. Sanjay Khandelwal and Mr. Jatin Khanna. Two meetings of the Committee were held during the financial year 2017-18 viz. on April 15, 2017 and November 8, 2017. Mrs. Kiran Sharma and Mr. Jatin Khanna attended both

the above meetings, while Mr. Sanjay Khandelwal attended one meeting i.e. on November 8, 2017.

3. Stakeholders Relationship Committee:

The Stakeholders Relationship Committee of the Company as on March 31, 2018, comprised of Mr. P. Dwarakanath, Mr. K.S. Ramsinghaney, both Non-executive directors and Mr. Jatin Khanna. Seven meetings of the Committee were held during the financial year 2017-18 viz. on May 12, 2017, July 13, 2017, September 19, 2017, November 8, 2017, December 20, 2017, January 23, 2018 and February 26, 2018, in the presence of Mr. P. Dwarakanath and Mr. Jatin Khanna.

4. Committee of Independent Directors:

The Committee of Independent Directors comprising of Mrs. Kiran Sharma and Mr. Sanjay Khandelwal met on August 9, 2018 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 and;
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.

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.

REDEVELOPMENT OF MAX HOUSE PROPERTY

During the year under review, the members of the Company granted their approval by way of Special Resolution passed by a Postal Ballot on September 7, 2017 under section 180 of the Act for (i) sale/ transfer/ disposal/ redevelopment of the whole or part of Land and Building(s) owned by the Company ('Property') situated at Max House, 1, Jha Marg, Okhla-III, New Delhi-110 020 to Max Estates Limited ('Max Estates'); (ii) engagement of Max Estates as service provider for providing Construction and Development Services to the Company for the purpose of redevelopment of

residual portion of the Property owned by the Company (iii) mortgage and/or create charge and/or offering the whole or part of the Property owned by the Company, as security against such loan(s) as may be raised by Max Estates from one or more banks / financial institutions in relation to redevelopment of the Property on such terms as the Board of Directors may deem fit in the best interest of the Company.

In relation to above, the Company has executed three material agreements viz. Agreement to sell, Construction Service Agreement and Option Agreement with Max Estates, the details of which form part to the note no. 28 of the notes to Accounts.

POLICY ON QUALIFICATION AND REMUNERATION FOR THE DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

The Company has framed a Policy for determining qualifications, positive attributes and independence of a Director and remuneration for the Directors, Key Managerial Personnel and other employees. The Policy is attached herewith marked as **Annexure II**.

KEY MANAGERIAL PERSONNEL

The Board of directors in its meeting held on November 8, 2017, appointed Mr. Jatin Khanna as the Managing Director and Mr. Pradeep Pal Chadha as the Chief Financial Officer (CFO) of the Company with effect from November 8, 2017.

As on March 31, 2018, the Key Managerial Personnel (KMP) of the Company comprised of Mr. Jatin Khanna, Managing Director, Mr. Pradeep Pal Chadha, Chief Financial Officer and Ms. Sangeeta, Company Secretary.

Ms. Sangeeta, Company Secretary of the Company resigned owing to personal reasons effective from April 30, 2018. The Board is in process of appointing a new Company Secretary to fill the vacancy created by the resignation of Ms. Sangeeta, within the statutory time limit.

PUBLIC DEPOSITS

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

LOANS, GUARANTEES OR INVESTMENTS IN SECURITIES

The details of loans, guarantees and investments pursuant to the provisions of Section 186 of the Act have been provided in Notes 7, 8 and 9 to the financial statements of the Company for the FY 2017-18.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions entered during the financial year were in the ordinary course of business of the Company and were on arm's length basis.

There were no materially significant related party transactions entered by the Company with Promoters, Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interest of the Company.

Since all related party transactions entered into by the Company were in the ordinary course of business and were on an arm's length basis, the requirement of furnishing details in Form AOC-2 are not applicable to the Company.

TRANSFER TO RESERVES

The Company did not transfer any amount to any reserve.

AUDITOR & AUDITORS' REPORT

Pursuant to Sections 139 & 142 of the Act, M/s. Dewan P. N. Chopra & Co., Chartered Accountants (FRN. 000472N) were appointed as the Statutory Auditors of the Company at 28th Annual General Meeting held on September 26, 2017 to hold office for a period of five consecutive years till the conclusion of the 33rd Annual General Meeting, subject to ratification of their appointment by members at every Annual General Meeting required by the Companies Act 2013.

Vide notification dated May 7, 2018, the Ministry of Corporate Affairs has done away with the requirement of seeking ratification of members for appointment of auditors at every Annual General Meeting. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the 29th Annual General Meeting.

The Notes to the Financial Statements read with the Auditors' Reports are self-explanatory and therefore, do not call for any further comments or explanations. There are no audit qualifications or reporting of fraud in the Statutory Auditors Report given by M/s Dewan P. N. Chopra & Co., Statutory Auditors of the Company for the FY 2017-18 as annexed elsewhere in this Annual Report.

SECRETARIAL STANDARDS

Your company complies with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI), from time to time.

RISK MANAGEMENT POLICY

The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company's management systems, organizational structure, processes, standards, code of conduct and behavior together form Risk Management Policy that governs how the Company conducts the business and manages associated risks.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNING AND OUTGO

The disclosures to be made under sub-section (3) (m) of Section 134 of the Act read with Rule (8) (3) of the Companies (Accounts) Rules, 2014 by your Company are explained as under:

(A) Conservation of Energy & Technology Absorption

The Company has taken measures to reduce the energy consumption, by using energy efficient equipment, incorporating latest technology and regular maintenance. No expenditures were incurred on Research and Development.

(B) Foreign Exchange Earnings and Outgo

There has been no foreign exchange earnings and outgo during the year under report.

EXTRACTS OF ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Act, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the extracts of the Annual Return as at March 31, 2018 forms part of this report as **Annexure III**.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(5) of the Act, it is hereby confirmed that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed

along with proper explanation relating to material departures;

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

MATERIAL CHANGES AFFECTING FINANCIAL POSITION

There were no material changes and commitments, affecting the financial position of the Company which has occurred between the end of the financial year of the Company i.e. March 31, 2018 and the date of the Directors' report i.e. August 9, 2018.

ACKNOWLEDGMENT

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from Shareholders, Bankers, Regulatory Bodies and other business constituents during the year under review.

By Order of the Board
For **Pharmax Corporation Limited**

New Delhi
August 9, 2018

P. Dwarakanath
Director
DIN: 00231713

Jatin Khanna
Managing Director
DIN : 07089135

Annexure:-1**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	Re- porting period for the subsidi- ary con- cerned	Report- ing Cur- rency and Exchange rate as on the last date of relevant financial year in the case of for- eign sub- sidiaries	Share Capital	Reserves & Surplus	Total As- sets	Total Li- abilities	Invest- ments	Turnover	Profit before taxation	Provision for taxa- tion	Profit after tax- ation	Proposed Dividend	% of Share- holding
1	Not applicable													

Part "B" - Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(Rupee)	
Name of Associates/Joint Ventures	Forum I Aviation Pvt Ltd
(1) Latest audited Balance Sheet date	31-Mar-18
(2) Shares of Associates/Joint Ventures held by the company on the year end	
No.	74,87,251 Equity Shares of Rs. 10 each fully paid up.
Amount of Investment in Associates/Joint Ventures	69,906,388
Extend of Holding %	20.00%
(3) Description of how there is significant influence	The Company owns 20% equity stake in Forum I Aviation Pvt. Limited
(4) Reason why the associate/joint venture is not consolidated	NA
(5) Networth attributable to Shareholding as per latest audited Balance Sheet	115,538,391
(6) Profit/Loss for the year	32,500,099
i. Considered in Consolidation	6,500,020
ii. Not Considered in Consolidation	26,000,079

For and on behalf of the Board of Directors of Pharmax Corporation Limited

P. Dwarakanath
 Director
 DIN: 00231713

Jatin Khanna
 Managing Director
 DIN : 07089135

Pradeep Pal Chadha
 Chief Financial Officer

New Delhi
 August 9, 2018

Annexure-II**APPOINTMENT CRITERIA, QUALIFICATION & REMUNERATION POLICY IN TERMS OF SECTION 178 OF THE COMPANIES ACT, 2013 ("THE ACT")****Preamble**

In terms of Section 178 of the Act, the Nomination & Remuneration Committee ("NRC") shall formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel ("KMP") and other employees.

Appointment Criteria and Qualification

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

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

Remuneration Policy

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

Remuneration to Non-executive / Independent Director

The remuneration / commission / sitting fee, as the case may be, to the Non-Executive/ Independent Director, shall be in accordance with the provisions of the Act and the Rules made thereunder for the time being in force or as may be decided by the Committee / Board /shareholders. An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act, as amended from time to time.

Annexure -III**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN****As on financial year ended on March 31, 2018****Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management & Administration) Rules, 2014****I. REGISTRATION & OTHER DETAILS:**

1	CIN	U24232PB1989PLC009741
2	Registration Date	27-09-1989
3	Name of the Company	Pharmax Corporation Limited
4	Category Sub-category	Public Company Company Limited by Shares
5	Address of the Registered office & contact details	Bhai Mohan Singh Nagar Railmajra, Tehsil Balachaur, District Nawanshahr, Punjab 144 533. Phone : 01881-462000 Fax : 01881-273607
6	Whether listed company	No
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Mas Services Limited T-34, 2 nd Floor, Okhla Industrial Area Phase – II, New Delhi – 110020 Phone : 011- 26387281/82/83 Fax : 011 – 26387384 E-mail : info@masserv.com

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

The Company has leasing of its properties (NIC code: 68100) situated at 1, Dr. Jha Marg, Okhla, New Delhi – 110 020 as its only business activity.

I III PARTICULARS OF HOLDING and Associate Companies as on March 31, 2018 are as under:

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	%of shares held	Applicable Section
1.	Max India Limited (Formerly Taurus Ventures Limited) Bhai Mohan Singh Nagar Railmajra, Tehsil Balachaur Dist. Nawanshahr Punjab – 144 533.	L85100PB2015PLC039155	Holding Company	85.17%	2 (46) of the Companies Act, 2013
2.	Forum 1 Aviation Private Limited, 505, G-5, Building, IGI Airport, Opp. Domestic Airport Arrival Terminal, New Delhi – 110 037	U62200DL2004PTC131655	Associate Company	20%	2(6) of Companies Act, 2013

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

A Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	47122747	47122747	85.17	-	47122747	47122747	85.17	0.00
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	-	47122747	47122747	85.17	-	47122747	47122747	85.17	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	645778	645778	1.17	-	645778	645778	1.17	0.00
b) Banks / FI	-	100875	100875	0.18	-	100875	100875	0.18	0.00
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	355867	355867	0.64	-	355867	355867	0.64	0.00
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify) FDI	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	1102520	1102520	1.99	-	1102520	1102520	1.99	0.00
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	614774	614774	1.11	-	614774	614774	1.11	0.00
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
ii) Individual shareholders holding nominal share capital up to Rs.2 lakh	-	6462790	6462790	11.68	-	6462790	6462790	11.68	0.00
c) Others (specify)									
Non Resident Indians / OCBs	-	22921	22921	0.04	-	22921	22921	0.04	0.00
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	7100485	7100485	12.83	-	7100485	7100485	12.83	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	8203005	8203005	14.83	-	8203005	8203005	14.83	0.00
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	55325752	55325752	100.00	-	55325752	55325752	100.00	0.00

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year [As on 31-March-2017]			Shareholding at the end of the year [As on 31-March-2018]			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Max India Limited (Formerly Taurus Ventures limited)	4,71,22,747	85.17	0.00	4,71,22,747	85.17	0.00	0.00

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

SN	Particulars	Shareholding at the beginning of the year [As on 31-March-2017]		Cumulative Shareholding during the year [As on 31-March-2018]	
1.	Max India Limited (formerly Taurus Ventures Limited)	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	4,71,22,747	85.17	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	4,71,22,747	85.17

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

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year [As on 31-March-2017]		Cumulative Shareholding during the year [As on 31-March-2018]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Unit Trust of India				
	At the beginning of the year	645778	1.17	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	645778	1.17
2.	Medicare Investments Limited				
	At the beginning of the year	450000	0.81	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	450000	0.81
3.	General Insurance Corporation of India				
	At the beginning of the year	212033	0.38	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	212033	0.38
4.	National Insurance Co. Ltd.				
	At the beginning of the year	110852	0.20	-	-

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year [As on 31-March-2017]		Cumulative Shareholding during the year [As on 31-March-2018]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	110852	0.20
5.	SBI Capital Markets Limited				
	At the beginning of the year	104450	0.19	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	104450	0.19
6.	Canara Bank				
	At the beginning of the year	100875	0.18	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	100875	0.18
7.	United India Insurance Co. Ltd.				
	At the beginning of the year	32982	0.06	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	32982	0.06
8.	Sukhbir Singh Dhupia				
	At the beginning of the year	28310	0.05	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	28310	0.05
9.	Shyam Sundar Mullick				
	At the beginning of the year	20000	0.04	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	20000	0.04
10.	Salam Hasim Bardolia				
	At the beginning of the year	20000	0.04	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	20000	0.04

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year [As on 31-March-2017]		Cumulative Shareholding during the year [As on 31-March-2018]	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. K.S. Ramsinghaney – Director				
	At the beginning of the year	310	0.00	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	-	-	310	0.00

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

The Company has not paid any Remuneration to its Managing Director/Directors or Manager.

B. Remuneration to other Directors :

The Company has paid sitting fees to the Independent Directors as details below:

Mrs. Kiran Sharma: Rs. 97,500/-

Mr. Sanjay Khandelwal: Rs. 75,500/-

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

During the year under review, the Company paid Rs. 1,40,995/- to Ms. Sangeeta, Company Secretary of the Company.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Penalties/punishment/compounding of offences have been imposed on the Company, its Directors and any other officers during the financial year ended March 31, 2018. : NIL

INDEPENDENT AUDITOR'S REPORT

To,
The Members of **Pharmax Corporation Limited**
Report on the Financial Statements

We have audited the accompanying standalone financial statements of **Pharmax Corporation Limited** ("the Company") which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone 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 the 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 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 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 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 aforesaid 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 31st March, 2018, and its loss 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 A, a statement on the matters specified in the 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, the Statement of Profit and Loss, and the 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 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 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 B"; and
- (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 has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 23 to the standalone financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

For Dewan P. N. Chopra & Co.

Chartered Accountants
Firm Regn. No. 000472N

(Sandeep Dahiya)

Partner
Membership No. 505371

Place of Signature: New Delhi
Date: May 28, 2018

ANNEXURE-A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph - 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date.)

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:-

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, the management has physically verified the fixed assets at reasonable intervals and no material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties are held in the name of the Company.
- (ii) As informed, the Company does not have any inventory; hence provisions of clauses 3(ii) of the Order relating to inventory are not applicable to the Company.
- (iii) The company has not granted secured or unsecured loan to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013. Hence this clause is not applicable.
- (iv) In our opinion, in respect of loans, investments, guarantees, and security provisions of Section 185 and 186 of Companies Act, 2013 have been complied with.
- (v) The company has not accepted any deposits, hence the paragraph 3(v) of the order is not applicable.
- (vi) As per information and explanation given by management, maintenance of cost records has not been prescribed by Central Government under sub-section 1 of Section 148.
- (vii) (a) On the basis of our examination of the records of the company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, GST and any other statutory dues have generally been regularly deposited during the year by the company with the appropriate authorities, though there has been slight delay in a few cases to the extent applicable to it.
In our opinion, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess, GST and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and on the basis of our examination of the books of accounts, no dues is payable in

respect of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute.

- (viii) Company has not taken any loans from financial institutions, Banks, Government or through debentures during the audit period.
- (ix) In our opinion the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans raised during the year have been applied for the purpose for which they were obtained.
- (x) In our opinion, no material fraud by the company or on the company by its Officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us, No managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) Based on our examination of the records of the Company and in our opinion, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) Based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) Based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) Based on our examination of records, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Dewan P. N. Chopra & Co.

Chartered Accountants
Firm Regn. No. 000472N

(Sandeep Dahiya)

Partner
Membership No. 505371

Place of Signature: New Delhi

Date: May 28, 2018

ANNEXURE – B TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF PHARMAX CORPORATION LIMITED

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

We have audited the internal financial controls over financial reporting of **Pharmax Corporation Limited** (“the Company”) as of 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). 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 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.

Auditors’ 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, issued by ICAI and deemed to be prescribed 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 judgment, 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 Company’s 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 31 March 2018, 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 Dewan P. N. Chopra & Co.

Chartered Accountants

Firm Regn. No. 000472N

(Sandeep Dahiya)

Partner

Membership No. 505371

Place of Signature: New Delhi

Date: May 28, 2018

BALANCE SHEET

as at March 31, 2018

(All amounts are in Indian Rupees)

	Notes	As at March 31, 2018	As at March 31, 2017
Equity and liabilities			
Shareholders' funds			
Share capital	2	205,591,712	205,591,712
Reserves and surplus	3	57,360,755	70,463,532
		262,952,467	276,055,244
Current liabilities			
Trade payables	4		
Trade outstanding dues of micro enterprises and small enterprises			
Trade outstanding dues of creditors other than micro enterprises and small enterprises		3,548,210	817,422
Other current liabilities	5	41,428,528	21,163,018
		44,976,738	21,980,440
TOTAL		307,929,205	298,035,684
Assets			
Non-current assets			
Fixed assets	6		
Tangible assets		146,357,910	150,011,408
Capital work-in- progress		24,385,047	-
Non-current investments	7	69,906,388	86,803,888
Long-term loans and advances	8	3,800,000	3,800,000
		244,449,345	240,615,296
Current assets			
Current investments	9	54,432,134	52,298,641
Trade receivables	10	1,331,805	1,010,693
Cash and bank balances	11	2,618,374	3,372,614
Short-term loans and advances	8	5,097,57	670,978
Other current assets	12	-	67,462
		63,479,860	57,420,388
TOTAL		307,929,205	298,035,684
Significant Accounting Policies	1		
Notes to the Accounts	2 to 29		

Auditor's Report

"As per our separate report of even date"

For Dewan P.N. Chopra & Co.

Chartered Accountants

FRN : 000472N

SANDEEP DAHIYA

FCA, Partner

Membership Number : 505371

For and on behalf of the Board of Directors of Pharmax Corporation Limited

Jatin Khanna

(Managing Director)

DIN No. 07089135

C-199, Vivek Vihar, Phase-I

Delhi - 110095

P. Dwarakanath

(Director)

DIN No. 00231713

M1018-A, Mangolias DLF Golf Links,

DLF City, Phase-V, Gurgaon - 122009

(Haryana)

Pradeep Pal Chadha

(Chief Financial Officer)

Date: May 28, 2018

Place: New Delhi

Date: May 28, 2018

Place: New Delhi

STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2018

(All amounts are in Indian Rupees)

	Notes	For the Year Ended March 31, 2018	For the Year Ended March 31, 2017
Income			
Revenue from operations	13	23,600,850	39,533,515
Other Income	14	24,550,599	4,888,807
Total revenue (I)		48,151,449	44,422,322
Expenses			
Finance cost	15	67,525	1,365,104
Depreciation and amortisation	16	4,292,966	7,363,601
Other expenses	17	46,270,967	31,516,438
Total expenses (II)		50,631,458	40,245,143
Profit before tax		(2,480,009)	4,177,179
Tax expense			
- Current tax		10,622,768	10,133,335
- Related to earlier years		-	-
Total tax expense		10,622,768	10,133,335
Profit/(Loss) after tax		(13,102,777)	(5,956,156)
Earnings per equity share	18		
Basic [Nominal value of shares Re.1 (March 31, 2017: Re.1)]		(0.24)	(0.11)
Diluted [Nominal value of shares Re.1 (March 31, 2017: Re.1)]		(0.24)	(0.11)
Significant Accounting Policies	1		
Notes to the Accounts	2 to 29		

Auditor's Report

"As per our separate report of even date"

For Dewan P.N. Chopra & Co.

Chartered Accountants

FRN : 000472N

SANDEEP DAHIYA

FCA, Partner

Membership Number : 505371

For and on behalf of the Board of Directors of Pharmax Corporation Limited

Jatin Khanna

(Managing Director)

DIN No. 07089135

C-199, Vivek Vihar, Phase-I

Delhi - 110095

P. Dwarakanath

(Director)

DIN No. 00231713

M1018-A, Mangolias DLF Golf Links,

DLF City, Phase-V, Gurgaon - 122009

(Haryana)

Pradeep Pal Chadha

(Chief Financial Officer)

Date: May 28, 2018

Place: New Delhi

Date: May 28, 2018

Place: New Delhi

CASH FLOW STATEMENT

for the year ended March 31, 2018

(All amounts are in Indian Rupees)

	For the Year Ended March 31, 2018	For the Year Ended March 31, 2017
Cash flow from operating activities		
Net Profit / (Loss) before tax	(2,480,009)	4,177,179
Non cash adjustments to reconcile profit / (loss) before tax to net cash flows:		
Depreciation / amortisation	4,292,966	7,363,601
Interest expense	67,166	1,363,885
Interest income	(304,001)	(304,000)
Net (profit) / loss on sale of fixed assets	(38,982)	(540,000)
Profit on sale of long term investments	(18,382,255)	(3,654,957)
Profit on sale of current investments	(5,825,361)	-
Debit Balance Written off	28,000	378,138
Liability/ provisions no longer required written back	-	(389,850)
TDS on service and other income	(2,471,624)	(4,064,407)
Operating Profit Before Working Capital Changes	(25,114,100)	4,329,589
Movement in working capital :		
Increase/ (decrease) in trade payables	2,730,788	(11,007,345)
Increase/ (decrease) in other current liabilities	20,265,510	(387,441)
Decrease / (increase) in trade receivables	(321,112)	968,290
Decrease / (increase) in short-term loans and advances	(3,905,798)	4,246,211
Decrease / (increase) in other current assets	67,462	750
Cash generated from/(used in) operations	(6,277,251)	(1,849,946)
Direct taxes paid (net of refunds)	(8,699,914)	(6,304,237)
Net cash flow from /(used in) operating activities (A)	(14,977,165)	(8,154,183)
Cash flow from investing activities		
Purchase of fixed assets, including intangible assets,	(25,024,515)	(4,021,459)
Proceeds from sale of fixed assets	38,982	600,000
Proceeds from sale of long term investments	35,279,755	31,500,000
Purchase of current investments	(35,000,000)	-
Proceeds from sale/maturity of current investments	38,691,868	-
Interest Received	304,001	304,000
Net cash flow from /(used in) investing activities (B)	14,290,091	28,382,541

	For the Year Ended March 31, 2018	For the Year Ended March 31, 2017
Cash flow from financing activities		
Proceeds from issue of share capital	-	14,925
Proceeds / (repayment) / of long -term borrowings	-	(22,500,000)
Interest paid	(67,166)	(1,363,885)
Net cash flow from /(used in) financing activities (C)	(67,166)	(23,848,960)
Net Increase/(decrease) in cash and cash equivalents (A + B + C)	(754,240)	(3,620,602)
Cash and cash equivalents at the beginning of the year	3,372,614	6,993,216
Cash and cash equivalents at the end of the year	2,618,374	3,372,614

Notes:

- 1) The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 on Cash Flow Statements.
- 2) Cash and Cash Equivalents at the end of the year consist of Cash and Balances with Banks.

Components of cash and cash equivalent	As at 31st March 2018	As at 31st March 2017
Cash on hand	21,761	24,516
Balance with banks:		
on current account	2,596,613	3,348,098
Total cash and cash equivalents	2,618,374	3,372,614
Significant Accounting Policies	1	
Notes to the Accounts	2 to 29	

Auditor's Report

"As per our separate report of even date"

For Dewan P.N. Chopra & Co.
Chartered Accountants
FRN : 000472N

SANDEEP DAHIYA
FCA, Partner
Membership Number : 505371

Date: May 28, 2018
Place: New Delhi

For and on behalf of the Board of Directors of Pharmax Corporation Limited

Jatin Khanna
(Managing Director)
DIN No. 07089135
C-199, Vivek Vihar, Phase-I
Delhi - 110095

P. Dwarakanath
(Director)
DIN No. 00231713
M1018-A, Mangolias DLF Golf Links,
DLF City, Phase-V, Gurgaon - 122009
(Haryana)

Pradeep Pal Chadha
(Chief Financial Officer)

Date: May 28, 2018
Place: New Delhi

Notes to financial Statements for the year ended March 31, 2018

(All amounts are in Indian Rupees)

Background

Pharmax Corporation Limited is a Company registered under the Companies Act, 1956 and deals in leasing of Estates.

1. Summary of significant accounting policies

a Basis of preparation

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). The financial statements have been prepared on accrual basis under the historical cost convention.

b 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 amount 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 outcome requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c Tangible fixed assets

Fixed Assets are stated at their original cost including freight, duties (net of CENVAT), taxes and other incidental expenses relating to acquisition and installation.

Expenses of revenue nature, which can be regarded as incidental and related to project set-up are transferred to "Pre-operative Expenses Pending Capitalization". These expenses are allocated to fixed assets/deferred revenue in the year of commencement of the related project.

Assets, which are revalued, are stated at the revalued amounts. The resultant increase in carrying amounts is credited to the revaluation reserve. Depreciation relating to the revalued amounts is

adjusted against the revaluation reserve.

Assets acquired under the business transfer agreement are stated at amounts based on a valuation report.

d Depreciation on tangible fixed assets

Depreciation on fixed assets except leasehold improvement is charged on the Straight Line Method on a pro-rata basis at the rate and manner prescribed under Schedule II to the Companies Act, 2013. Depreciation has been charged after considering scrap value prescribed under Schedule II to the Companies Act, 2013. The Company provides pro-rata depreciation from / to the date the asset is acquired / put to use / or disposed off.

The cost of leasehold land is amortized over the period of the lease.

Intangible assets are amortised on a straight line basis over the best estimated useful economic life. The company presumes that the useful life of an intangible asset will not exceed five years.

e Leases

Assets given under operating lease are shown in the balance sheet under fixed assets and are depreciated on a basis consistent with the depreciation policy of the company. Lease income is recognized in the profit and loss account on accrual basis.

Assets acquired on finance lease are recognized in the financial statements at the lower of the fair value and present value of minimum lease payments at the inception of the lease term and disclosed as leased asset. The depreciation policy for such assets is consistent with that for depreciable assets that are owned by the Group.

Operating lease expense is recognized in the profit and loss account on a straight-line basis over the lease term.

f Borrowing costs

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

Notes to financial Statements for the year ended March 31, 2018

(All amounts are in Indian Rupees)

occur. Borrowing cost consists of interest and other costs that an entity incurs in connection with the borrowing of funds.

g Investments

Investments are classified into current investments and long-term investments. The cost of investments include acquisition charges such as brokerage, fees and duties. Current investments are carried at lower of cost or fair value.

Non Current investments are valued at cost. Provision for diminution is made to recognise a decline, other than temporary, in the carrying value of each investment.

h Revenue Recognition

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.

Interest income is recognised on time proportionate bases, taking into the account the amount outstanding and the rates applicable.

i Taxation

Direct Taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. 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 taxes on income levied by same governing taxation laws. Deferred tax assets are recognised 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 realised. In situation where the Company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets 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 realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company 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.

Indirect Taxes

The company claims credit of service tax/GST for input services, which is set off against tax on output services. Unutilized credit is carried forward for future set off in subsequent periods. Relevant provision is created, if required, based on estimated realization of the unutilized credit.

j 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. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the

Notes to financial Statements for the year ended March 31, 2018

(All amounts are in Indian Rupees)

weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares

k Provisions

A provision is recognized when the company has a present obligation as a result of a 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.

l 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.

m Cash & 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.

n Accounting for Leases

The Assets given under operating lease are shown in the Balance Sheet under Fixed Assets and depreciated on a basis consistent with the depreciation policy of the Company. The lease income is recognised in the Statement of Profit and Loss on accrual basis. The initial direct cost incurred for finalising the lease arrangement is recognised as an expense immediately in the statement of profit and loss.

Notes to financial Statements for the year ended March 31, 2018

(All amounts are in Indian Rupees)

2. Share Capital

	As at March 31, 2018	As at March 31, 2017
Authorised Share Capital		
60,000,000 (March 31, 2017: 60,000,000) equity shares of Re. 1/- each	60,000,000	60,000,000
10% 470,000 (March 31, 2017: 470,000) Cumulative Convertible Preference Shares of Rs. 100/- each	47,000,000	47,000,000
9% 1,500,000 (March 31, 2017: 1,500,000) Cumulative Redeemable Preference share of Rs. 100/- each	150,000,000	150,000,000
	257,000,000	257,000,000
Issued, Subscribed & Fully Paid up Share Capital		
55,325,752 (March 31, 2017: 55,325,752) equity shares of Re. 1/- each fully paid up	55,325,752	55,325,752
1,500,000 (March 31, 2017: 1,500,000), 9% Cumulative Redeemable Preference share of Rs. 100/- each	150,000,000	150,000,000
	205,325,752	205,325,752
Forfeited Shares	265,960	265,960
Total	205,591,712	205,591,712

During the previous year, the Company had issued 10% Cumulative Convertible Preference Shares (CCP's) of Rs 100 each in terms of offer letter read with allotment advice come allotment money notice dated March 17, 1997. Out of the CCP's allotted by the Company, 6341 CCP's were partly paid due to non receipt or partial receipt of allotment money. The offer letter permits the Board of Directors of the Company to forfeit the shares in terms of Article of Association of the Company. On April 11, 2016, the Company served a notice allotment / call of Rs.75/- per share to pay the balance on or before May 2, 2016. Resultantly, 199 shareholders paid the balance allotment money. Hence, the Company had allotted 19,900 Equity Shares of Re. 1/- each on May 11, 2016 to the holders of 199 fully paid CCP shares of Rs. 100/- each.

Further, pursuant to the provisions of Articles 35-48 of the Articles of Association of the Company the balance 6142 partly paid CCP's were forfeited due non-receipt of payment of the allotment / call of Rs.75/- per share before the due date, i.e. on or before May 2, 2016.

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

	As at March 31, 2018		As at March 31, 2017	
	No. of shares	(Rupees)	No. of shares	(Rupees)
Equity Shares				
At the beginning of the year	55,325,752	55,325,752	55,305,852	55,305,852
Issued during the Year	-	-	19,900	19,900
Outstanding at the end of the year	55,325,752	55,325,752	55,325,752	55,325,752
	As At March 31, 2018		As At March 31, 2017	
	No. of shares	(Rupees)	No. of shares	(Rupees)
9% Cumulative Convertible Preference Shares				
At the beginning of the year	1,500,000	150,000,000	1,500,000	150,000,000
Outstanding at the end of the year	1,500,000	150,000,000	1,500,000	150,000,000

Notes to financial Statements for the year ended March 31, 2018

(All amounts are in Indian Rupees)

2.2 Shares held by holding company

Out of equity shares issued by the company, shares held by its holding company are as below:

	As at March 31, 2018	As at March 31, 2017
Max India Limited		
47,122,247 (March 31, 2017: 47,122,247) equity shares of Re. 1/- each fully paid up	47,122,247	47,122,247
Total	47,122,247	47,122,247

2.3 Details of shareholder holding more than 5% shares as at March 31, 2018 and March 31, 2017 is set out below

Name of the Shareholder	As At March 31, 2018		As At March 31, 2017	
	No. of shares	% held	No. of shares	% held
Max India Limited -Preference Shares	1,500,000	100	1,500,000	100
Max India Limited -Equity shares	47,122,247	85	47,122,247	85

2.4 Terms and Rights attached to Shares

Equity Shares

The Company has only one class of equity shares having a par value of Re. 1/- 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.

Preference Shares

Preference shares are to be redeemed on or before March 31, 2020 i.e. 20 years from the date of issue of the said redeemable preference share in terms of Section 80 of the Companies Act, 1956 read with Article 9 of the Articles of Association of the Company.

Preference share holders are having preference over payment of dividend to equity share holders and accordingly arrears of preference dividends is required to be paid before payment of dividend to Equity Share holders. No dividend has been declared and paid so far on these preference shares. Therefore, pursuant to Second Proviso to Section 47(2) of the Companies Act, 2013, such class of preference shareholders shall have a right to vote on all the resolutions placed before the company.

3. Reserves & Surplus

	As at March 31, 2018	As at March 31, 2017
Surplus/ (deficit) in the statement of profit and loss		
Balance as per last financial statements	70,463,532	76,419,688
Profit / (loss) for the year	(13,102,777)	(5,956,156)
Total	57,360,755	70,463,532

4. Trade Payables

	As at March 31, 2018	As at March 31, 2017
Dues to other than micro and small enterprises	3,548,210	817,422
Total	3,548,210	817,422

Notes to financial Statements for the year ended March 31, 2018

(All amounts are in Indian Rupees)

5. Other Current Liabilities

	As at March 31, 2018	As at March 31, 2017
Statutory Dues	455,248	406,758
Security Deposit Received	20,771,260	20,756,260
Advance against Sales Consideration	20,202,020	-
Total	41,428,528	21,163,018

6. Tangible Assets

	Land (Freehold)	Land (Leasehold)	Building	Plant & Equipment	Furniture & Fixtures	Computers	Total
Cost							
At April 1 2016	84,296	182,365	180,772,372	69,293,273	5,899,682	610,615	256,842,603
Additions	-	-	-	4,383,709	-	-	4,383,709
Deletions/ Adjustments	-	-	-	1,200,000	-	-	1,200,000
At 31 March 2017	84,296	182,365	180,772,372	72,476,982	5,899,682	610,615	260,026,312
Additions	-	-	-	639,468	-	-	639,468
Deletions/ Adjustments	-	-	-	412,000	-	-	412,000
At 31 March 2018	84,296	182,365	180,772,372	72,704,450	5,899,682	610,615	260,253,780
Depreciation							
At April 1 2016	-	-	37,816,009	61,201,239	4,192,258	581,797	103,791,303
Charge for the year	-	-	2,840,155	3,562,418	961,028	-	7,363,601
Deletions/ Adjustments	-	-	-	1,140,000	-	-	1,140,000
At 31 March 2017	-	-	40,656,164	63,623,657	5,153,286	581,797	110,014,904
Charge for the year	-	-	2,840,155	1,516,983	(64,172)	-	4,292,966
Deletions/ Adjustments	-	-	-	412,000	-	-	412,000
At 31 March 2018	-	-	43,496,319	64,728,640	5,089,114	581,797	113,895,870
Net Block							
At 31 March 2017	84,296	182,365	140,116,208	8,853,325	746,396	28,818	150,011,408
At 31 March 2018	84,296	182,365	137,276,053	7,975,810	810,568	28,818	146,357,910

For details of assets given under operating lease please refer Note 21 of notes to accounts.

Land under perpetual lease Rs. 182,365 (March 31, 2017 Rs. 182,365)

7. Non- current investments

	As At March 31, 2018	As At March 31, 2017
In Equity Share (At Cost) - Unquoted		
Investment in Joint Ventures		
Forum I Aviation Limited - 74,87,251 (March 31, 2017: 74,87,251)	69,906,388	69,906,388
Equity shares of Rs.10/- each fully paid up		
Others		
Max Speciality Films Limited		
Nil (March 31, 2017: 3,38,350) Equity Share of Rs 10/- each fully paid up	-	16,897,500
Total	69,906,388	86,803,888

Notes to financial Statements for the year ended March 31, 2018

(All amounts are in Indian Rupees)

8. Loans & Advances

	Non - Current		Current	
	As At March 31, 2018	As At March 31, 2017	As At March 31, 2018	As At March 31, 2017
Loans and advances to related parties				
Unsecured, considered good	3,800,000	3,800,000	-	-
Doubtful	-	-	-	-
	3,800,000	3,800,000	-	-
Provision for doubtful	-	-	-	-
A	3,800,000	3,800,000	-	-
Advances recoverable in cash or kind				
Unsecured, considered good	-	-	5,000	5,000
Doubtful	-	-	-	-
	-	-	5,000	5,000
Provision for Doubtful Advances	-	-	-	-
B	-	-	5,000	5,000
Other loans & advances				
Balances with statutory/government authorities				
- E-Cash balance	-	-	105,792	-
- E-Credit balance	-	-	3,712,460	506,130
- Service tax paid under protest	-	-	550,000	-
Prepaid Expenses	-	-	35,745	20,068
Advance income tax (net of provisions)	-	-	688,550	139,780
C	-	-	5,092,547	665,978
Total (A+B+C)	3,800,000	3,800,000	5,097,547	670,978

9. Current Investment

	As At March 31, 2018	As At March 31, 2017
Unit in Mutual funds (unquoted)		
Nil (March 31, 2017: 2,820,000) Units of Tata Liquid Fund Direct Plan - Growth	-	6,841,064
9,174.781 (March 31, 2017: 15,746.222) Units of Tata Money Market Fund Direct Plan - Growth	20,659,646	35,457,578
136,373.699 (March 31, 2017: 47,884.556) Units of Aditya Birla Sun Life Cash Plus - Direct Plan	33,772,488	10,000,000
Total	54,432,134	52,298,641

10. Trade Receivables

	As At March 31, 2018	As At March 31, 2017
Other receivables		
Unsecured, considered good*	1,331,805	1,010,693
Doubtful	-	-
	1,331,805	1,010,693
Provision for doubtful receivables	-	-
	1,331,805	1,010,693
Total	1,331,805	1,010,693
Included in Sundry Debtors are:		
*Due from related parties	969,004	891,792

Notes to financial Statements for the year ended March 31, 2018

(All amounts are in Indian Rupees)

11. Cash & Bank Balances

	As At March 31, 2018	As At March 31, 2017
Cash and Cash Equivalents		
Balances with banks	2,596,613	3,348,098
Cash in hand	21,761	24,516
Total	2,618,374	3,372,614

12. Other Current Assets

	As At March 31, 2018	As At March 31, 2017
Others		
Interest accrued on fixed deposits	-	67,462
Total	-	67,462

13. Revenue from operations

	For the year ended March 31, 2018	For the year ended March 31, 2017
Sale of services		
Lease rentals *	23,600,850	39,533,515
Revenue from operations(net)	23,600,850	39,533,515

* For detail of assets given under operating lease please refer Note 21 of notes to accounts.

14. Other Income

	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest Income on		
Others	304,001	304,000
Profit on sale of Long Term Investments	18,382,255	-
Profit on sale of Current Investments	5,825,361	3,654,957
Excess provision written back	-	389,850
Profit on sale of Fixed Assets	38,982	540,000
Total	24,550,599	4,888,807

15. Finance Cost

	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest	67,166	1,363,885
Bank Charges	359	1,219
Total	67,525	1,365,104

16. Depreciation and amortization expense

	For the year ended March 31, 2018	For the year ended March 31, 2017
Depreciation of tangible assets	4,292,966	7,363,601
Total	4,292,966	7,363,601

Notes to financial Statements for the year ended March 31, 2018

(All amounts are in Indian Rupees)

17. Other Expenses

	For the year ended March 31, 2018	For the year ended March 31, 2017
Insurance	72,116	69,070
Rates and Taxes	3,097,066	2,152,013
Repairs and Maintenance:		
Others	19,016,541	9,656,950
Printing and Stationery	258,674	418,401
Communication	4,378	780,968
Legal and Professional *	23,191,108	17,500,490
Directors Sitting Fee	172,500	135,000
Debit Balances Written Off	28,000	378,138
Miscellaneous	430,584	425,408
Total	46,270,967	31,516,438
*Payment to auditor		
As auditor:		
Audit fee	75,000	57,500
Total	75,000	57,500

18. Earnings per share (EPS)

	For the year ended March 31, 2018	For the year ended March 31, 2017
Basic		
Profit/(loss) after tax (Rupees)	(13,102,777)	(5,956,156)
Weighted average number of equity shares (Nos.)	55,325,752	55,323,571
Earning Per Share (Rupees)	(0.24)	(0.11)
Diluted		
Denominator used for computing basic Earning Per Share (Nos.)	55,325,752	55,323,571
Add Dilutive impact of		
Weighted average number of equity shares in calculating diluted EPS (Nos.)	55,325,752	55,323,571
Earning Per Share (Rupees)	(0.24)	(0.11)

19. Segment Reporting

The Company is operating in single line of business and all the other activities revolve around the main business and entire business is conducted within India. Hence in accordance with AS-17- "Segment Reporting" there are no separate reportable segments either on the basis of business segmentation or geographical segmentation.

20. Related Parties :- As per accounting standard 18 on 'Related Party Disclosure "as notified under Companies (Accounting Standard) Rules 2006, the disclosure of transactions with the related party is as under:

Names of related parties where control exists irrespective of whether transactions have occurred or not

Holding Company	Max India Limited
Fellow Subsidiary Companies	1. Max Bupa Health Insurance Company Limited 2. Max UK Limited 3. Antara Senior Living Limited 4. Antara Purukul Senior Living Limited 5. Antara Gurgaon Senior Living Limited 6. Max Ateev Limited 7. Max Skill First Limited 8. Max One Distribution and Services Limited

Key Management Personnel 1. Mr. Jatin Khanna - Managing Director

Names of other related parties with whom transactions have taken place during the year

Joint Venture	1. Forum I Aviation Ltd

Notes to financial Statements for the year ended March 31, 2018

(All amounts are in Indian Rupees)

20.1 Related Party Transactions

Particulars	Holding company		Fellow Subsidiaries		Joint Ventures		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Transactions								
Service Income & Reimbursement of Expenses received (Lease Rental)	9,213,840	9,213,840	7,865,520	9,322,440	-	-	17,079,360	18,536,280
Interest Income	-	-	-	-	304,000	304,000	304,000	304,000
Services received								
Overhead Expenses Paid	11,000,000	10,050,000	-	-	-	-	11,000,000	10,050,000
Interest Expense	-	1,338,904	-	-	-	-	-	1,338,904
Loan Repaid	-	22,500,000	-	-	-	-	-	22,500,000
Security deposit received / (refunded)	-	44,350	-	54,000	-	-	-	98,350
Balance Outstanding at the end of year:								
Amount Payable	8,500,000	8,500,000	1,968,560	1,968,560	-	-	10,468,560	10,468,560
Amount Receivable	-	-	-	6,300	-	67,462	-	73,762
Other Receivable	-	-	-	-	3,800,000	3,800,000	3,800,000	3,800,000
Investment in Equity	-	-	-	-	69,906,388	69,906,388	69,906,388	69,906,388
Total	28,713,840	51,647,094	9,834,080	11,351,300	74,010,388	74,077,850	112,558,308	137,076,244

21. Leases

Accounting for leases has been done in accordance with the Accounting Standard -19 issued by the Institute of Chartered accounts of India. Following are the details of the transactions for the year

a) Finance Lease:

The Company does not have any finance lease arrangement.

b) Operating lease:

i) Details of assets given under operating lease are as under:

Particulars	Gross value as at April 01, 2017	Additions during the year	Deletion during the year	Total value of assets given on lease	Depreciation during the year	Depreciation reserve upto March 31, 2018	Net value of assets as at March 31, 2018
Land	266,661	-	-	266,661	-	-	266,661
Building	180,772,372	-	-	180,772,372	2,840,155	43,496,319	137,276,053
Plant & Machinery	72,476,982	639,468	(412,000)	72,704,450	1,516,983	64,728,640	7,975,810
Total	253,516,015	639,468	(412,000)	253,743,483	4,357,138	108,224,959	145,518,524

Notes to financial Statements for the year ended March 31, 2018

(All amounts are in Indian Rupees)

- ii) There are no leases entered into by the company, which are classified as non-cancellable lease.
- iii) The company has entered into lease contracts (cancellable) for its assets as mentioned above with various parties including group companies as under:-

Name of Lessee

Max India Ltd. (the Holding Company)
 Max Financial Services Ltd.
 Max Medical Services Ltd.
 Max Healthcare Institute Ltd.
 Antara Senior Living Ltd.
 Antara Purukul Senior Living Ltd.
 Siva Realty Ventures Pvt. Ltd.

22. Capital and other commitments

	As at March 31, 2018	As at March 31, 2017
Estimated amount of contracts remaining to be executed on capital account and not provided for	275,000,000	-
Less: Capital advances	-	-
Net capital commitment for acquisition of capital assets	275,000,000	-

23 Contingent Liabilities not provided for

Particulars	As at March 31, 2018	As at March 31, 2017
i. Arrears of Dividend on 9% Cumulative Redeemable Preference Share	243,000,000	229,500,000
Corporate Dividend Tax	49,470,000	46,720,000
ii. Service Tax	-	7,327,629

24 Information pursuant to the provisions of Section 22 of Micro, Small and Medium Enterprises Development Act, 2006 ("Act"). During the year company has not paid any interest in terms of the section 18 of the above mentioned Act. No principal amount or interest amount are due at the end of this accounting year which is payable to any Micro, Small or Medium enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006

25 The accounts of certain Trade Receivables, Trade Payables, Short/Long Term Loans and Advances, Other Current Assets and Current Liabilities and are subject to confirmation / reconciliation and adjustment, if any. The Management does not expect any material difference affecting the current year's financial statements.

In the opinion of the management, the current assets, loans and advances are expected to realize at least the amount at which they are stated, if realized in the ordinary course of business and provision for all known liabilities have been adequately made in the books of accounts.

26 Jointly Controlled Entity

Company's interest and share in joint venture in the nature of jointly controlled entity is as follows:

a Particulars of Joint controlled entity

Name of Joint controlled entity	Nature of Business	Ownership interest	Country of Incorporation
Forum I Aviation Private Limited	Aviation	20%	India

Notes to financial Statements for the year ended March 31, 2018

(All amounts are in Indian Rupees)

b Financial interest of the Company in jointly controlled entity is as under:

Particulars	31st March 2018	31st March 2017
Company's share of:		
Assets	139,378,502	139,474,928
Liabilities	23,840,111	30,436,556
Income	39,336,108	46,280,620
Expenditure	38,806,849	44,032,469
Tax (including deferred tax)	(2,397,567)	1,465,328
Capital Commitment	-	-
Contingent Liabilities	1,000	10,694,108

Note: The Company's share of assets, liabilities, income and expenditure has been included on the basis of un-audited financial information of its joint venture

27 On April 3, 2017, the Company sold its 1% stake in Max Speciality Films Limited to Max Ventures and Industries Ltd at a price of Rs. 104.27 per share, for a consideration of Rs. 35,279,755/-.

28 During the year under review, the Company had entered into an Agreement to Sell with Max Estates Limited ("MEL"), in respect of undivided interest equivalent to 50% of the underlying parcel of Land and part of existing building comprising of the First floor and 50 per cent of the Second floor along with pro rata allocation of the common areas, rights, easements, privileges appurtenant thereto, of its freehold property at Block A, Max House, Okhla, New Delhi for an aggregate consideration of Rs. 2,700 lakhs collectively referred to as 'MEL Property'.

Simultaneously, the Company entered into a Construction Service Agreement with MEL for redevelopment of the Company's share of remaining property comprising of the undivided interest equivalent to 50% of the underlying parcel of Land and part of existing building comprising of the Ground floor and 50 per cent of the Second floor along with pro rata allocation of the common areas, rights, easements, privileges appurtenant thereto, collectively referred to as the 'PCL property' for an aggregate consideration of Rs. 2,750 lakhs and also executed an Option Agreement with MEL in respect of the Company's share of the remaining property. The Option Agreement provides for:

(a) call option to MEL to acquire the PCL Property. The said call option shall remain valid for a period of 5 years from the date of registration of Sale Deed for MEL property. The said call option shall be exercised only if the FAR is increased to 1.5 times (Base FAR) within the initial one year and the agreed consideration of Rs. 27.50 crore will be increased based on the increase or the potential increase in the Base FAR. In case the call option is exercised after the aforementioned period of one year and up to the expiry of the said 5 years period, the consideration for the PCL Property will be calculated on the basis of its fair market value; and

(b) a put option to PCL to sell the PCL Property to MEL at fair market value, after expiry of the aforesaid 5 years and upto a maximum period of 6 years, from the date of registration of Sale Deed for MEL property.

29 The Current Year refers to the period April 01, 2017 to March 31, 2018. (March 31, 2017: refers to April 01, 2016 to March 31, 2017). March 31, 2017: figures have been regrouped, rearranged and reclassified wherever necessary to conform to this year's classification

Auditor's Report

"As per our separate report of even date"

For Dewan P.N. Chopra & Co.

Chartered Accountants

FRN : 000472N

SANDEEP DAHIYA

FCA, Partner

Membership Number : 505371

For and on behalf of the Board of Directors of Pharmax Corporation Limited

Jatin Khanna

(Managing Director)

DIN No. 07089135

C-199, Vivek Vihar, Phase-I

Delhi - 110095

P. Dwarakanath

(Director)

DIN No. 00231713

M1018-A, Mangolias DLF Golf Links,

DLF City, Phase-V, Gurgaon - 122009

(Haryana)

Pradeep Pal Chadha

(Chief Financial Officer)

Date: May 28, 2018

Place: New Delhi

Date: May 28, 2018

Place: New Delhi

MAX UK LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MAX UK LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of M/s Max UK Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, Cash Flow Statement for the year 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the 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 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 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 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 the 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 the 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31st March, 2018, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. In our opinion and to the best of our information and according to the explanations given to us, 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 is not applicable to the company for the year under review.
2. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

- c. The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid 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. 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 derivatives 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.

DINESH KUMAR BACHCHAS*Partner*

Membership No. 097820

For and on Behalf of

K.K. Mankeshwar & Co.*Chartered Accountants*

FRN -106009W

New Delhi,
19th April, 2018

BALANCE SHEET

AS AT MARCH 31, 2018

(₹)			
Particulars	Notes	As at March 31, 2018	As at March 31, 2017
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	4	21,300,000	21,300,000
Reserves and surplus	5	(4,306,614)	(7,186,968)
		16,993,386	14,113,032
Current liabilities			
Trade payables	6	2,174,679	1,653,010
Other current liabilities	7	12,551	118,327
Short term provisions	8	243,078	212,390
		2,430,308	1,983,727
Total		19,423,694	16,096,759
ASSETS			
Non current assets			
Fixed assets			
Tangible assets	9	33,038	156,987
		33,038	156,987
Current assets			
Trade receivables	10	8,545,554	8,053,030
Cash and bank balances	11	5,143,113	2,234,868
Short term loans and advances	12	154,300	160,789
Other current assets	13	5,547,689	5,491,085
		19,390,656	15,939,772
Total		19,423,694	16,096,759
Significant accounting policies & notes to financial statements	1 to 23		

As per our report of even date

For and on behalf of the board of directors of Max UK Limited

DINESH KUMAR BACHCHAS

Partner

Membership No: 097820

For and on behalf of

K. K. MANKESHWAR & CO.

Chartered Accountants

FRN: 106009W

L. Binge

Director

New Delhi, dated the
19th April, 2018

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2018

(₹)			
Particulars	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
Income			
Overheads recovered		11,563,703	12,659,690
Other income	14	6,872	11,519
Total revenue (I)		11,570,575	12,671,209
Expenses			
Employee benefit expenses	15	3,929,216	4,619,719
Finance costs	16	15,892	10,991
Depreciation and amortisation	9	69,580	33,590
Other expenses	17	6,500,933	6,846,922
Total expenses (II)		10,515,621	11,511,222
Profit before tax (I)-(II)		1,054,954	1,159,987
Current tax		226,264	230,907
Profit after tax		828,690	929,080
Basic and diluted earnings per equity share			
Profit after tax		828,690	929,080
Weighted average number of ordinary shares		299,742	299,742
Earning per ordinary share of GBP 1/- each		2.76	3.10
Number of shares used in computing earnings per share			
Outstanding at the beginning of the year		299,742	299,742
Outstanding at the end of the year		299,742	299,742
Significant accounting policies & notes to financial statements		1 to 23	

As per our report of even date

DINESH KUMAR BACHCHAS

Partner

Membership No: 097820

For and on behalf of

K. K. MANKESHWAR & CO.

Chartered Accountants

FRN: 106009W

For and on behalf of the board of directors of Max UK Limited

L. Binge

Director

New Delhi, dated the
19th April, 2018

CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2018

	(₹)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Cash flow from operating activities		
Net Profit before tax	1,054,954	1,159,987
Non cash adjustments to reconcile profit / (loss) before tax to net cash flows:		
Depreciation / amortisation	69,580	33,590
Interest income	(6,872)	(11,519)
Net (profit) / loss on sale of fixed assets	66,402	-
Operating Profit Before Working Capital Changes	1,184,064	1,182,058
Movement in working capital :		
Increase/ (decrease) in trade payables	521,669	345,650
Increase/ (decrease) in other current liabilities	(105,776)	34,554
Decrease / (increase) in trade receivables	(492,524)	(8,053,030)
Decrease/ (increase) in short-term loans and advances	6,489	(100,123)
Decrease/ (increase) in other current assets	(56,604)	8,321,047
Cash generated from/(used in) operations	1,057,318	1,730,156
Direct taxes paid (net of refunds)	(230,907)	(236,654)
Net cash flow from /(used in) operating activities (A)	826,411	1,493,502
Cash flow from investing activities		
Purchase of fixed assets	-	(155,110)
Interest Received	6,872	11,519
Net cash flow from /(used in) investing activities (B)	6,872	(143,591)
Net Increase/(decrease) in cash and cash equivalents (A + B)	833,283	1,349,911
Impact of Foreign Exchange Fluctuations	2,074,962	(2,397,298)
Cash and cash equivalents at the beginning of the year	2,234,868	3,282,255
Cash and cash equivalents at the end of the year	5,143,113	2,234,868

	As at March 31, 2018	As at March 31, 2017
Components of cash and cash equivalent		
Cash on hand	9,321	8,169
With banks -		
on current account	5,133,792	2,226,699
Total cash and cash equivalents	5,143,113	2,234,868

Significant accounting policies & notes to financial statements 1 to 23

As per our report of even date

For and on behalf of the board of directors of Max UK Limited

DINESH KUMAR BACHCHAS

Partner

Membership No: 097820

For and on behalf of

K. K. MANKESHWAR & CO.

Chartered Accountants

FRN: 106009W

L. Binge

Director

New Delhi, dated the

19th April, 2018

Notes To Financial Statements For the Year Ended March 31, 2018

1 Corporate information

Max UK Limited ("Max UK") is incorporated and operates under the applicable laws of England and Wales. The company is engaged in the business of providing business and administrative support services to officials of various group companies of Max India Limited, the parent company at United Kingdom.

2 Basis of preparation

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Basis of translation into Indian rupees

These financial statements have been prepared for the purpose of compliance with the provisions of Section 129 of the Indian Companies Act, 2013 and have been translated to Indian Rupees (₹) in accordance with Accounting Standard-11 issued by ICAI on 'The Effects of Changes in Foreign Exchange Rates'. The functional currency of the Company is Pound Sterling (GBP).

The translation of foreign currency into (₹) has been carried out:

- a) For assets and liabilities (both monetary and non-monetary items) using the rate of exchange prevailing on the balance sheet date (1GBP = Rs. 92.2846 as at March 31, 2018 and 1GBP = Rs. 80.8797 as at March 31, 2017).
- b) For revenues and expenses using average exchange rates prevailing during the reporting period (1GBP = Rs. 85.9014 for the year April 1, 2017 to March 31, 2018 and 1GBP = Rs. 87.931 for the year April 1, 2016 to March 31, 2017).
- c) Resulting exchange differences are taken into

foreign currency translation reserve as required under Accounting Standard-11.

3 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 their original cost.

3.3 Depreciation on tangible fixed assets

Depreciation is charged on straight-line method on a pro-rata basis at rates estimated by the management based on the economic useful life of the assets.

3.4 Revenue recognition

Revenue represents amounts invoiced during the year, exclusive of value added tax.

3.5 Expenditure

Expenses are accounted for on the accrual basis and provisions are made for all known losses and liabilities.

3.6 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 reported

Notes To Financial Statements For the Year Ended March 31, 2018

using the closing rate. 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.

3.7 Taxation

Provision for tax consists of current tax and deferred tax. Current tax provision is computed

for current income based on the tax liability after considering allowances and exemptions. Deferred tax assets and liabilities are computed on the timing differences at the balance sheet date between the carrying amount of assets and liabilities and their respective tax basis.

3.8 Cash flow statements

Cash flows are reported using the Indirect Method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

3.9 Cash & 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 Share capital

	(₹)	
	As at March 31, 2018	As at March 31, 2017
Authorised shares (Nos.)		
1,000,000 (Previous year: 1,000,000) ordinary shares of GBP 1/- each	71,061,111	71,061,111
	71,061,111	71,061,111
Issued, subscribed & fully paid-up shares (Nos.)		
299,742 (Previous year: 299,742) ordinary shares of GBP 1/- each	21,300,000	21,300,000
	21,300,000	21,300,000

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

	March 31, 2018		March 31, 2017	
	No. of shares	Rupees	No. of shares	Rupees
Equity Shares				
At the beginning of the year	299,742	21,300,000	299,742	21,300,000
Outstanding at the end of the year	299,742	21,300,000	299,742	21,300,000

4.2 Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of GBP 1/- each per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, in proportion to the number of equity shares held by the shareholders.

4.3 Shares held by holding Company

Out of shares issued by the company, shares held by its holding company are as below:

	As at March 31, 2018	As at March 31, 2017
	No. of Shares	No. of Shares
Max India Limited, the holding company	299,742	299,742
	299,742	299,742

Notes To Financial Statements For the Year Ended March 31, 2018

4.4 Details of shareholders holding more than 5% shares in the company

Name of the Shareholder	March 31, 2018		March 31, 2017	
	No. of shares	% held	No. of shares	% held
Max India Limited, the holding company	299,742	100	299,742	100

5 Reserves & surplus

	(₹)	
	As at March 31, 2018	As at March 31, 2017
Foreign Currency Translation Reserve		
Balance as per last financial statements	1,866,439	4,270,113
Add: Addition during the year	2,051,664	(2,403,674)
	3,918,103	1,866,439
Surplus/ (deficit) in the statement of profit and loss		
Balance as per last financial statements	(9,053,407)	(9,982,487)
Profit for the year	828,690	929,080
Net Surplus/ (deficit) in the statement of profit and loss	(8,224,717)	(9,053,407)
Total	(4,306,614)	(7,186,968)

6 Trade payables

	(₹)	
	As at March 31, 2018	As at March 31, 2017
Micro, Small and Medium Enterprises	-	-
Others	2,174,679	1,653,010
	2,174,679	1,653,010

Others includes amount of Nil (Previous year Nil) payable to the director of the Company.

7 Other current liabilities

	(₹)	
	As at March 31, 2018	As at March 31, 2017
Other Payables		
Statutory Dues	12,551	118,327
	12,551	118,327

8 Short term provisions

	(₹)	
	As at March 31, 2018	As at March 31, 2017
Provision for income tax	243,078	212,390
	243,078	212,390

Notes To Financial Statements For the Year Ended March 31, 2018

9 Fixed Asset-Tangible Assets

			(₹)
	Furniture & Fixtures	Equipments	Total
Cost			
At 01st April 2016	597,154	115,817	712,971
Additions	-	155,110	155,110
Deletions/ Adjustments	-	-	-
Exchange difference	(89,229)	(29,744)	(118,973)
As at 31 March 2017	507,925	241,183	749,108
Additions	-	-	-
Deletions/ Adjustments	-	(151,788)	(151,788)
Exchange difference	71,622	22,731	94,353
As at 31 March 2018	579,547	112,126	691,673
Depreciation			
At 01st April 2016	597,154	62,663	659,817
Charge for the year	-	33,590	33,590
Deletions/ Adjustments	-	-	-
Exchange difference	(89,229)	(12,057)	(101,286)
As at 31 March 2017	507,925	84,196	592,121
Charge for the year	-	69,580	69,580
Deletions/ Adjustments	-	(85,386)	(85,386)
Exchange difference	71,622	10,698	82,320
As at 31 March 2018	579,547	79,088	658,635
Net Block			
As at 31 March 2017	-	156,987	156,987
As at 31 March 2018	-	33,038	33,038

10 Trade receivables

		(₹)
	As at March 31, 2018	As at March 31, 2017
Unsecured, considered good unless stated otherwise		
Other receivables		
Unsecured, considered good	8,545,554	8,053,030
	8,545,554	8,053,030
Included in Sundry Debtors are:		
Due from holding company (Max India Limited)	-	1,500,561

11 Cash and bank balances

		(₹)
	As at March 31, 2018	As at March 31, 2017
Balances with Banks		
- In current & saving accounts	5,133,792	2,226,699
Cash In hand	9,321	8,169
	5,143,113	2,234,868

Notes To Financial Statements For the Year Ended March 31, 2018

12 Short term loans and advances

	(₹)	
	As at March 31, 2018	As at March 31, 2017
Others		
Unsecured, considered good	154,300	160,789
	154,300	160,789

13 Other current assets

	(₹)	
	As at March 31, 2018	As at March 31, 2017
Unbilled revenue & prepayments	5,547,689	5,491,085
	5,547,689	5,491,085

14 Other income

	(₹)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest on Fixed Deposit with Bank	6,872	11,519
	6,872	11,519

15 Employee benefit expenses

	(₹)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries and wages	3,929,216	4,619,719
	3,929,216	4,619,719

Salaries and wages include an amount of Rs. Nil (Previous year Rs. 2,198,275) paid to the director of the Company.

16 Finance costs

	(₹)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Bank Charges	15,892	10,991
	15,892	10,991

17 Other expenses

	(₹)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Rent	-	580,520
Insurance	-	37,810
Repairs and maintenance:		
Others	-	19,872
Equipment hire charges	80,060	65,597
Printing and stationery	112,703	68,147
Travelling and conveyance	3,021,496	3,197,347
Communication	685,064	552,998
Legal and professional charges	2,427,316	2,220,697
Net Loss on sale/disposal of fixed assets	66,402	-
Miscellaneous	107,892	103,934
	6,500,933	6,846,922

Notes To Financial Statements For the Year Ended March 31, 2018

Notes:

Payment to auditor

		(₹)
	For the year ended March 31, 2018	For the year ended March 31, 2017
As auditor: (Included in Legal & Professional charges)		
Audit fees	429,507	439,655

18 Leases

18.1 Finance lease: company as lessee

The company does not have finance lease agreement.

18.2 Operating lease: Company as lessee

- i) Lease rentals recognised in the statement of profit and loss for the year is Rs. Nil (Previous year Rs. 580,520).
- ii) The Company has entered into operating leases that are renewable on a periodic basis and cancellable at Company's option. The Company has not entered into sublease agreements in respect of these leases.
- iii) The total of future minimum lease payments under non-cancellable leases are as follows:

Particulars	March 31, 2018	March 31, 2017
Not later than one year	-	-
Later than one year and not later than five year	-	-
Later than five year	-	-
Total	-	-

19 Segment Reporting:

The Company operates only in one business segment viz. to work as a representative office of Max Group companies. Accordingly there are no reportable business segments.

20 Deferred Tax:

The net deferred tax asset has not been recognized due to virtual uncertainty regarding future taxable profits.

21 Related party disclosures

Names of related parties and related party relationship

Related parties where control exists

Holding Company	Max India Limited
Enterprises owned or significantly influenced by key management personnel	Max Financial Services Limited (upto May 14, 2016)
	Max Ventures and Industries Limited (upto May 14, 2016)
Key management personnel	Laurance Binge

Notes To Financial Statements For the Year Ended March 31, 2018

(₹)						
Related party transactions	Holding Company		Enterprises owned or significantly influenced by key management personnel		Key Management personnel	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Income						
- Max India Limited	-	2,531,927	-	-	-	-
- Max Financial Services Limited	-	-	-	1,159,837	-	-
- Max Ventures and Industries Limited				61,044		
Salaries and Wages						
- Laurance Binge	-	-	-	-	-	2,198,275
Trade Receivables						
- Max India Limited	-	1,500,561				

22 Other disclosure requirements of Schedule III to the Companies Act, 2013 are not applicable to the Company.

23 Previous year figures have been regrouped / reclassified wherever necessary to conform to current year's classification.

As per our report of even date

DINESH KUMAR BACHCHAS

Partner

Membership No: 097820

For and on behalf of

K. K. MANKESHWAR & CO.

Chartered Accountants

FRN: 106009W

For and on behalf of the board of directors of Max UK Limited

L. Binge

Director

New Delhi, dated the
19th April, 2018

MAX ATEEV LIMITED

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have great pleasure in presenting the 24th Annual Report together with the Audited Balance Sheet as at March 31, 2018 and Statement of Profit & Loss for the year ended on that date.

FINANCIAL RESULTS

Particulars	(in Rupees)	
	Year Ended March 31, 2018	Year Ended March 31, 2017
Total Income	Nil	Nil
Operating Expenses	526,477	2,47,226
EBDITA	(526,477)	(2,47,226)
Depreciation	Nil	Nil
Interests	Nil	Nil
Taxes	Nil	Nil
Net Profit After Tax/(Loss)	(526,477)	(2,47,226)
No. of Equity Shares	3,14,43,600	3,14,43,600
EPS	(0.02)	(0.01)

OPERATIONS

Currently, the Company is not pursuing any business/commercial operations. During the year under review, your Company incurred a loss of Rs. 5,26,477.

SHARE CAPITAL

The Authorized Share Capital of the Company as on March 31, 2018 was Rs. 31,50,00,000/- (Rupees Thirty One Crore Fifty Lakh only) comprising of 3,15,00,000 equity shares of Rs. 10/- each.

The Paid up capital of the Company as on March 31, 2018 was Rs. 31,44,36,000/- (Rupees Thirty One Crore Forty Four Lakh Thirty Six Thousand only) comprising of 3,14,43,600 equity shares of Rs. 10/- each.

There has been no change in the share capital of the Company during the period under review.

HOLDING, SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANY

Presently, there is no subsidiary of the Company. The particulars of the Holding Company are given in the extracts of Annual Return (Form- MGT-9) annexed with this report.

As the Company does not have any Subsidiary and/or Associate Company, the requirements of furnishing the

details in Form- AOC-1 are not applicable.

CONSOLIDATED FINANCIAL STATEMENTS

Since the Company does not have any subsidiary or Associate/Joint Venture Company, hence no consolidated financial statements are required to be prepared.

DIVIDEND

In view of the losses, your Directors did not recommend any dividend for the year under review.

TRANSFER TO RESERVES

The Company did not transfer any amount to any reserves.

BOARD OF DIRECTORS

Currently the Board of Directors of the Company comprises of Mr. V. Krishnan, Managing Director, Mrs. Kiran Sharma, Independent Director, Mr. Sanjay Khandelwal, Independent Director, Mr. Jatin Khanna and Mr. Pradeep Pal Chadha, both being Non-executive directors on the Board. In accordance with the provisions of the Companies Act, 2013 ('the Act'), Mr. Jatin Khanna is due to retire by rotation and being eligible, offers himself for re-appointment.

The Board met 4 times during the year under review, viz., on May 26, 2017, August 10, 2017, November 8, 2017 and February 26, 2018, in the presence of all its directors.

STATEMENT OF DECLARATION BY INDEPENDENT DIRECTORS

Pursuant to the provisions of Section 149(7) of the Act, your Company has received declaration of Independence from Mrs. Kiran Sharma and Mr. Sanjay Khandelwal, independent Directors of the Company.

COMMITTEE OF BOARD OF DIRECTORS

The Company has the following committees in compliance with the requirements of the relevant provisions of applicable laws and statutes.

1. Audit Committee:

The Audit Committee currently consists of Mrs. Kiran Sharma, Mr. Sanjay Khandelwal and Mr. Pradeep Pal Chadha.

Two meetings of Audit Committee were held during the financial year 2017-18 on May 26, 2017 and August 10, 2017, in the presence of all its members.

2. **Nomination & Remuneration Committee:**

The Nomination and Remuneration Committee currently consists of Mrs. Kiran Sharma, Mr. Sanjay Khandelwal and Mr. Pradeep Pal Chadha. This Committee met once during the financial year 2017-18 on November 8, 2017, in the presence of all its members.

3. **Committee of Independent Directors:**

The Committee of Independent Directors consists of Mrs. Kiran Sharma and Mr. Sanjay Khandelwal. The Committee met on August 9, 2017 to perform the functions stipulated under Code for Independent Directors under Schedule IV to the Companies Act, 2013.

POLICY ON QUALIFICATION AND REMUNERATION FOR THE DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

The Company has framed a Policy for determining qualifications, positive attributes and independence of a Director and remuneration for the Directors, Key Managerial Personnel and other employees. The Policy is attached herewith marked as **Annexure I**.

KEY MANAGERIAL PERSONNEL

The Board of directors in its meeting held on November 8, 2017, appointed Mr. Shri Raj as the Chief Financial Officer (CFO) of the Company.

As on the date of this report, Mr. V. Krishnan, Managing Director, Mr. Pankaj Chawla Company Secretary and Mr. Shri Raj, Chief Financial Officer are the Key Managerial Personnel (KMPs) of the Company.

PUBLIC DEPOSITS

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

LOANS, GUARANTEES OR INVESTMENTS IN SECURITIES

The Company has not given any loans, made any guarantees or acquired any securities or provided for acquisition of any securities during the period under review which are covered under Section 186 of the Companies Act, 2013.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered during the financial year were in the ordinary course of the

business of the Company and were on arm's length basis. The requirement of furnishing form AOC-2 is considered to be not applicable to the Company.

There were no materially significant related party transactions entered by the Company with Promoters, Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interest of the Company.

It may be further noted that the Company is dependent on its Holding Company, Max India Limited for financial support. Kindly refer note no. 12 to the financial statements for related party transactions between the Company and its Holding Company.

AUDITOR & AUDITORS' REPORT

Pursuant to Section 139 & 142 of the Act, M/s Nangia & Co., Chartered Accountants, were appointed as the Statutory Auditors of the Company at the Annual General Meeting held on September 30, 2016 for a period of five years upon ratification of their appointment in every Annual General Meeting held during their tenure.

Vide notification dated May 7, 2018, the Ministry of Corporate Affairs has done away with the requirement of seeking ratification of members for appointment of auditors at every Annual General Meeting. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the forthcoming Annual General Meeting of the Company.

There are no audit qualifications or reporting of fraud in the Statutory Auditors Report given by M/s Nangia & Co., Statutory Auditors of the Company for the financial year 2017-18 as annexed elsewhere in this Annual Report.

RISK MANAGEMENT POLICY

The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company's management systems, organizational structures, processes, standards, code of conduct and behaviors together form Risk Management Policy that governs how the Company conducts the business and manages associated risks.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNING AND OUTGO

The disclosures to be made under sub-section (3) (m) of Section 134 of the Act read with Rule (8) (3) of the Companies (Accounts) Rules, 2014 by your Company are explained as under:

(A) Conservation of Energy & Technology Absorption

Though, your Company is not carrying any operational activities, yet all possible efforts have been made for conservation of energy, wherever possible. The company is not carrying out any research and development activity.

(B) Foreign Exchange Earnings and Outgo

There has been no foreign exchange earnings and outgo during the year under report.

EXTRACTS OF ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Act, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extracts of the Annual Return as at March 31, 2018 forms part of this report as **Annexure II**.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(5) of the Act, it is hereby confirmed that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;

- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The Directors had prepared the annual accounts on a going concern basis;
- (e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

MATERIAL CHANGES AFFECTING FINANCIAL POSITION

The Company is dependent on its Holding Company, Max India Limited, for financial support.

There are no other material changes and commitments, affecting the financial position of the Company which has occurred between the end of the financial year of the Company i.e. March 31, 2018 and the date of the Directors' report.

ACKNOWLEDGMENT

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from Shareholders and other business constituents during the year under review.

**By Order of the Board
For Max Ateev Limited**

**Jatin Khanna
Director
DIN: 07089135**

**V. Krishnan
Managing Director
DIN: 00402601**

**Date : August 9, 2018
Place : New Delhi**

APPOINTMENT CRITERIA, QUALIFICATION & REMUNERATION POLICY IN TERMS OF SECTION 178 OF THE COMPANIES ACT, 2013 ("THE ACT")**Preamble**

In terms of Section 178 of the Act, the Nomination & Remuneration Committee ("NRC") shall formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel ("KMP") and other employees.

Appointment Criteria and Qualification

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

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

Remuneration Policy

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

Remuneration to Non-executive / Independent Director

The remuneration / commission / sitting fees, as the case may be, to the Non-Executive /Independent Director, shall be in accordance with the provisions of the Act and the Rules made there under for the time being in force or as may be decided by the Committee / Board /shareholders. An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act, as amended from time to time.

Annexure - II

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on March 31, 2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

1	CIN	U74899DL1994PLC060700
2	Registration Date	04-08-1994
3	Name of the Company	MAX ATEEV LIMITED
4	Category Sub-category	Public Company Company Limited by Shares
5	Address of the Registered office & contact details	Max House, 1, Dr. Jha Marg, Okhla New Delhi – 110 020
6	Whether listed company	No
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Nil

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Currently, the Company is not pursuing any business/ commercial operations. Hence, this information requirement is not applicable on the Company for the period under review.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Particulars of Holding Company as on March 31, 2018 are as follows:

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Max India Limited (Erstwhile Taurus Ventures Limited) 419, Bhai Mohan Singh Nagar Railmajra, Tehsil Balachaur Dist. Nawanshahr Punjab – 144 533.	L85100PB2015PLC039155	Holding Company	100%	2 (46) of the Companies Act, 2013

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

Category-wise Share Holding

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. Promoter s									
(1) Indian									
a) Individual/ HUF	--	--	--	--	--	--	--	--	--
b) Central Govt	--	--	--	--	--	--	--	--	--
c) State Govt(s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp.	--	31443600	31443600	100%	--	31443600	31443600	100%	Nil
e) Banks / FI	--	--	--	--	--	--	--	--	--
f) Any other	--	--	--	--	--	--	--	--	--

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	
Total shareholding of Promoter (A)	--	31443600	31443600	100%	--	31443600	31443600	100%	Nil
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) FIs	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Others (specify)	--	--	--	--	--	--	--	--	--
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):-	--	--	--	--	--	--	--	--	--

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	
Total Public Shareholding (B)=(B)(1)+ (B)(2)	--	--	--	--	--	--	--	--	--
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	--	31443600	31443600	100%	--	31443600	31443600	100%	Nil

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Max India Limited (formerly Taurus Ventures Limited)	31443580	100.00	Nil	31443580	100.00	Nil	Nil
2.	Mrs. Sujatha Ratnam*	4	0.00	Nil	4	0.00	Nil	Nil
3.	Mr. V. Krishnan*	4	0.00	Nil	4	0.00	Nil	Nil
4.	Mr. Pradeep Pal Chadha*	2	0.00	Nil	2	0.00	Nil	Nil
5.	Mr. B. Das*	2	0.00	Nil	2	0.00	Nil	Nil
6.	Mr. M.G. Rajagopalan*	4	0.00	Nil	4	0.00	Nil	Nil
7.	Mr. Rajinder Kumar*	4	0.00	Nil	4	0.00	Nil	Nil
	Total :	31443600	100%		31443600	100%		

* shares held as nominees of Max India Limited

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

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	31443600	100%	31443600	100%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	Nil	Nil	Nil	Nil
	At the end of the year	31443600	100%	31443600	100%

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs): NOT APPLICABLE

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	6*	0.00	6*	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	--	--	--	--
	At the end of the year	6*	0.00	6*	0.00

*represents the shares held by directors as nominees of Max India Limited

V. INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment. : NIL**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

The Company has not paid any Remuneration to its Managing Director/Wholetime Directors or Manager during the financial year 2017-18.

B. Remuneration to other directors:

The Company sitting fees to the Independent Directors during the financial year 2017-18 as detailed below:

Mrs. Kiran Sharma : Rs. 60, 000/-

Mrs. Sanjay Khandelwal: Rs. 60,000/-

The Company has not paid any Remuneration/Sitting fees during the financial year 2017-18 to other Directors

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD: Nil**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Penalties/punishment/compounding of offences that has been imposed on the Company, its Directors and any other officers during the financial year ended March 31, 2018: **NIL**

INDEPENDENT AUDITORS REPORT

To the Members of **Max Ateev Limited**, New Delhi

1. Report on the Financial Statements

We have audited the accompanying financial statements of **Max Ateev Limited (the 'Company')** which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on March 31, 2018, and a summary of significant accounting policies and other explanatory information.

2. 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the 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 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these 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 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 misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 the 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 financial statements.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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, 2018, its Losses and its cash flows for the year ended on March 31, 2018.

Emphasis matter paragraph

- a) Attention is invited to Note 16 of Financial Statement regarding preparation of the accounts of the Company on going concern basis due to assured support from its Holding company, Max India Limited even though the net worth of the company as at March 31, 2018 has been eroded. Our opinion is not qualified to that extent.

5. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of Section 143(11) of the Act (hereinafter referred to as the 'Order') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in Annexure 'A', a Statement on the matters specified in paragraph 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 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 Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified 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, 2018, and taken on record by the

Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of sub-section (2) of section 164 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 'B' and
- (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 litigation 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 Nangia & Co. LLP

Chartered Accountants
ICAI FRN 002391C

(Vikas Gupta)

Partner,
Membership # 076879

Signed at NOIDA on May 25, 2018

Annexure 'A'**Max Ateev Limited****Annexure to Independent Auditors' Report for the period ended March 2018**

(Referred to in Paragraph 1 under the Heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of accounts and other records examined by us in the normal course of audit, we report that:

i. In respect of fixed assets:

The Company does not have any fixed assets and accordingly, the provisions of Clause (i) (a) to (c) of paragraph 3 of the Order are not applicable to the Company.

ii. In respect of Inventories:

The Company business does not involve inventories and accordingly the provisions of Clause (ii) of paragraph 3 of the Order are not applicable to the Company.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of clause iii (a) to (c) of paragraph 3 of the Order are not applicable to the Company and hence not commented upon.

iv. According to the information and explanations given to us, the Company has not given any loan to Directors or persons connected with them as per the provisions mentioned in section 185 of the companies Act, 2013.

Further, Company has not made any Loans, investments, guarantee & securities to any person or other bodies corporate as per the provisions mentioned in section 186 of the Companies Act, 2013.

v. In respect of public deposit:

According to the information and explanations

given to us, the Company has not accepted any deposits from the public within the meaning of Section 73 to 76 of the Companies Act, 2013 and the rules framed there-under. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.

vi. In respect of cost records:

In our opinion and according to information and explanations given to us, maintenance of cost records has not been prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 for the services provided by the company.

vii. In respect of statutory dues:

a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has generally been regular in depositing its undisputed statutory dues including Provident Fund, Employees State insurance, income-tax, Sales-Tax, Wealth Tax, Service tax, GST, duty of Custom, duty of Excise, value added tax, cess and Entertainment Tax etc. There are no undisputed dues payable, outstanding as on 31st March, 2018 for a period of more than six months from the date they became Payable.

b) According to the information and explanations given to us, there are no amounts in respect of income tax, service tax etc. that have not been deposited with the appropriate authorities on account of any dispute except for:

Name of the Statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act	Income Tax demand	573,230	AY 2001-2002	A.O

viii. The Company has not taken any loans from financial institutions, Banks, Government or through debentures during the audit period.

ix. As explained, The Company has not raised money by way of initial Public offer or further public offer (including debt instruments). Further, no term loans were raised during the year under audit.

x. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

- xi. According to the information and explanations given to us, no managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013
- xii. As explained, the company is not a Nidhi company. Therefore, the provisions of Clause (xii) of paragraph 3 of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. Further, the Company has constituted an Audit Committee under Section 177 of the Act, read with Rule 6 of the Companies (Accounts) Rules 2014 & provision of Section are complied by the Company.
- xiv. According to the information and explanations given to us, no preferential allotment or Private placement of shares or fully or partly convertible debentures has been noticed or reported during the Year. Hence the requirement of Section 42 of Companies Act, 2013 is not applicable.
- xv. According to the information and explanations given to us, no cash transactions with Directors or persons connected with him have been noticed or reported during the year as per the provisions of Section 192 of Companies Act, 2013.
- xvi. According to the information and explanations given to us, Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Nangia & Co. LLP

Chartered Accountants
ICAI FRN 002391C

(Vikas Gupta)

Partner,
Membership # 076879

Signed at NOIDA on May 25, 2018

ANNEXURE B**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 Ateev Limited, New Delhi**

We have audited the internal financial controls over financial reporting of **Max Ateev Limited ("the Company")** as of March 31, 2018 in conjunction with our audit of financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' 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 judgment, 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 2018, 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 Nangia & Co. LLP

Chartered Accountants
ICAI FRN 002391C

(Vikas Gupta)

Partner,
Membership # 076879

Signed at NOIDA on May 25, 2018

BALANCE SHEET

as at March 31, 2018

			(Rupees)
	Notes	As at March 31, 2018	As at March 31, 2017
Equity and liabilities			
Shareholders' funds			
Share capital	2	314,436,000	314,436,000
Reserves and surplus	3	(383,843,071)	(383,316,594)
		(69,407,071)	(68,880,594)
Current liabilities			
Short-term borrowings	4	70,546,267	70,213,267
Trade payables	5		
- total outstanding dues - MSME		-	-
- total outstanding dues of creditors other than MSME		140,785	160,000
Other current liabilities	6	34,822	15,000
		70,721,874	70,388,267
TOTAL		1,314,803	1,507,673
Assets			
Non-current assets			
Long-term Loans and advances	7	1,195,645	1,195,645
Current assets			
Cash and bank balances	8	119,158	312,028
TOTAL		1,314,803	1,507,673
Significant Accounting Policies	1		
Notes to the Accounts	2 to 20		

Auditor's Report

"As per our separate report of even date"

For Nangia & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 002391C

Vikas Gupta

FCA, Partner

Membership Number: 076879

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

V. Krishnan

(Managing Director)

DIN No : 00402601

A-38, Lajpat Nagar, Sahibabad,
Ghaziabad - 201005

Pradeep Pal Chadha

(Director)

DIN No : 05132136

House No. C-1/1385,
Vasant Kunj, New Delhi - 110070

Shri Raj

(Chief Financial Officer)

Pankaj Chawla

(Company Secretary)

Date: May 25, 2018

Place: Noida

Date: May 25, 2018

Place: New Delhi

STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2018

		(Rupees)	
	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
Income			
Other income		-	-
Total revenue (I)		-	-
Expenses			
Other expenses	9	526,477	247,226
Total expenses (II)		526,477	247,226
Earnings before interest, tax, depreciation and amortisation (I-II)		(526,477)	(247,226)
Loss before tax (I) - (II)		(526,477)	(247,226)
Tax expense		-	-
Loss after tax		(526,477)	(247,226)
Earnings per equity share	11		
Basic [Nominal value of shares Rs.10 (Previous year Rs.10)]		(0.02)	(0.01)
Diluted [Nominal value of shares Rs.10 (Previous year Rs.10)]		(0.02)	(0.01)
Significant Accounting Policies	1		
Notes to the Accounts	2 to 20		

Auditor's Report

"As per our separate report of even date"

For Nangia & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 002391C

Vikas Gupta

FCA, Partner

Membership Number: 076879

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

V. Krishnan

(Managing Director)

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Shri Raj

(Chief Financial Officer)

Pankaj Chawla

(Company Secretary)

Date: May 25, 2018

Place: Noida

Date: May 25, 2018

Place: New Delhi

CASH FLOW STATEMENT

For the year ended March 31, 2018

	(Rupees)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Cash flow from operating activities		
Loss before tax	(526,477)	(247,226)
Operating profit before working capital changes	(526,477)	(247,226)
Movement in working capital :		
Increase/ (decrease) in trade payables	(19,215)	67,500
Increase/ (decrease) in other current liabilities	19,822	7,500
Cash generated from/(used in) operations	(525,870)	(172,226)
Direct taxes paid (net of refunds)	-	-
Net cash flow from /(used in) operating activities (A)	(525,870)	(172,226)
Cash flow from investing activities		
Net cash flow from /(used in) investing activities (B)	-	-
Cash flow from financing activities		
Proceeds from short term borrowings	333,000	274,020
Net cash flow from /(used in) financing activities (B)	333,000	274,020
Net Increase/(decrease) in cash and cash equivalents (A + B)	(192,870)	101,794
Cash and cash equivalents at the beginning of the year	312,028	210,234
Cash and cash equivalents at the end of the year	119,158	312,028

Notes

- 1) The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 on Cash Flow Statements.
- 2) Cash and Cash Equivalents at the end of the year consist of Balances with Banks.

	(Rupees)	
	As at March 31, 2018	As at March 31, 2017
With banks -		
on current account	119,158	312,028
	119,158	312,028
Significant Accounting Policies		
Notes to the Accounts		

Auditor's Report

"As per our separate report of even date"

For Nangia & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 002391C

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

Vikas Gupta

FCA, Partner

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(Managing Director)

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Shri Raj

(Chief Financial Officer)

Pankaj Chawla

(Company Secretary)

Date: May 25, 2018

Place: Noida

Date: May 25, 2018

Place: New Delhi

Notes to financial Statements for the year ended March 31, 2018

Background

Max Ateev Limited is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company has scaled down its operations and currently there is no stream of revenue.

1. Significant accounting policies

a Basis of preparation of Financials Statements

These financial statements have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on accrual basis to comply in all material respects with the Accounting Standards (AS) specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. The accounting policies adopted in the preparation of financial statements have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy used until now (hitherto) with those of previous year

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. Based on the nature of services and the time between the rendering of services and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current - non current classification of assets and liabilities.

b Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 outcome requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c Revenue recognition

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

d 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 and tax laws prevailing in the respective tax jurisdictions where the company operates. 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

Notes to financial Statements for the year ended March 31, 2018

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 taxes relate to the same taxable entity and the same taxation authority.

e 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 dividend 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

f Provisions and contingent liabilities

- i) **Provisions:** Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value.
- ii) **Contingent liabilities:** Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.
- iii) Contingent assets are neither recorded nor disclosed in the financial statements.

Notes to financial Statements for the year ended March 31, 2018

2. Share capital

	(Rupees)	
	As at March 31, 2018	As at March 31, 2017
Authorised shares (Nos.)		
31,500,000 (Previous year: 31,500,000) equity shares of Rs. 10/- each	315,000,000	315,000,000
	315,000,000	315,000,000
Issued, subscribed and fully paid-up shares (Nos.)		
31,443,600 (Previous year: 31,443,600) equity shares of Rs. 10/- each fully paid up	314,436,000	314,436,000
Total	314,436,000	314,436,000

2.1 Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company in proportion to the number of equity shares held by the shareholders.

2.2 Shares held by holding company

Out of equity shares issued by the company, shares held by its holding company are as below:

	(Rupees)	
	As at March 31, 2018	As at March 31, 2017
Max India Limited, the holding company		
31,443,580 (Previous year: 31,443,580) equity shares of Rs. 10/- each fully paid up	314,435,800	314,435,800
	314,435,800	314,435,800

2.3 Details of shareholder holding more than 5% shares as at March 31, 2018 and March 31, 2017 is set out below (Legal ownership)

Name of Shareholder	March 31, 2018		March 31, 2017	
	No. of shares	% held	No. of shares	% held
Equity shares of Rs.10 each, fully paid-up				
- Max India Limited, the holding company	31,443,580	99.99	31,443,580	99.99

3. Reserves and surplus

	(Rupees)	
	As at March 31, 2018	As at March 31, 2017
Surplus/ (deficit) in the statement of profit and loss		
Balance as per last financial statements	(383,316,594)	(383,069,368)
Loss for the year	(526,477)	(247,226)
Net Surplus/ (deficit) in the statement of profit and loss	(383,843,071)	(383,316,594)
Total	(383,843,071)	(383,316,594)

Notes to financial Statements for the year ended March 31, 2018

4. Short-term borrowings

	(Rupees)	
	As at March 31, 2018	As at March 31, 2017
Unsecured		
Interest free loans and advances from holding company, repayable on demand	70,546,267	70,213,267
Total	70,546,267	70,213,267

5. Trade payables

	(Rupees)	
	As at March 31, 2018	As at March 31, 2017
Trade Payables (Refer Note 14)		
-Total outstanding dues of micro enterprises and small enterprises*	-	-
-Total outstanding dues of creditors other than micro enterprises and small enterprises	140,785	160,000
Total	140,785	160,000

6. Other current liabilities

	(Rupees)	
	As at March 31, 2018	As at March 31, 2017
Other liabilities		
- Dues to statutory authorities	34,822	15,000
Total	34,822	15,000

7. Loans and advances

	(Rupees)	
	As at March 31, 2018	As at March 31, 2017
Tax deducted at source recoverable	1,195,645	1,195,645
Total	1,195,645	1,195,645

8. Cash and bank balances

	(Rupees)	
	As at March 31, 2018	As at March 31, 2017
Cash and cash equivalents		
Balances with banks		
- In Current Accounts	119,158	312,028
Total	119,158	312,028

9. Other expenses

	(Rupees)	
Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Legal and professional	406,477	95,851
Directors' sitting fee	120,000	150,000
Miscellaneous expenses	-	1,375
Total	526,477	247,226

Notes to financial Statements for the year ended March 31, 2018

Payment to auditor (included in legal and professional expenses)

	(Rupees)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
As auditor:		
Audit fee	25,000	25,000
	25,000	25,000

10. Contingent liabilities

	(Rupees)	
Particulars	As at March 31, 2018	As at March 31, 2017
The ITAT has remanded back the issue under appeal, filed by the Department in AY 2001-02, to the file of the assessing Officer for fresh adjudication.	573,230	573,230

11. Earnings per share (EPS)

	For the year ended March 31, 2018	For the year ended March 31, 2017
(Loss) after tax (Rupees)	(526,477)	(247,226)
Less: dividends on convertible preference shares & tax thereon (Rupees)		
Net (loss) for calculation of basic EPS (Rupees)	(526,477)	(247,226)
Weighted average number of equity shares in calculating basic EPS (Numbers)	31,443,600	31,443,600
Earning per share (Rupees)	(0.02)	(0.01)

12. Related party disclosures

As per accounting standard 18 on "Related party Disclosure" as notified under Companies (Accounting Standard) Rules 2006, the disclosure of transactions with the related parties is as under:

a)	Related Party where control exists:	
	MAX INDIA LIMITED	Holding Company
b)	Key Managerial Personnel	
	Mr. V Krishnan	Managing Director

Related party transactions	Holding Company	
	March 31, 2018 (Rupees)	March 31, 2017 (Rupees)
Advance against routine expense		
- Max India Limited	333,000	274,020
Amount payable		
- Max India Limited	70,546,267	70,213,267

13. Deferred Taxes

The Company follows Accounting Standard 22- "Accounting for taxes on Income", and have deferred tax asset, comprising of unabsorbed depreciation and carry forward losses. However, as the subsequent realization of such amount is not certain in the near future, the management is of the view that it is prudent not to recognize deferred tax assets. Accordingly, no deferred tax has been recognized in the financial statements.

Notes to financial Statements for the year ended March 31, 2018

- 14.** Information pursuant to the provisions of Section 22 of Micro, Small and Medium Enterprises Development Act, 2006

During the year company has not paid any interest in terms of the section 18 of the above mentioned act. No principal amount or interest amount are due at the end of this accounting year which is payable to any Micro, Small or Medium enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006.

- 15.** The Company is operating in single line of business and all the other activities revolve around the main business and entire business is conducted within India, hence in accordance with AS-17- "Segment Reporting" there are no separate reportable segments either on the basis of business segmentation or geographical segmentation.

- 16.** During the year the Company has incurred losses of Rs 5,26,477 (Previous year Rs 2,47,226). As at March 31, 2018, the accumulated losses of the Company are Rs 383,843,071 (previous year Rs 383,316,594) as against the share holders fund of Rs. 314,436,000 (previous year Rs. 314,436,000). The Company is dependent on its holding company, Max India Limited for financial support. In the opinion of the management, in view of the commitment of continued financial support by holding company, and on the basis of the Company's future investment plans, the Company is continuing with a going concern assumption. Further, the Company does not anticipate that it will not be able to realize its assets and discharge its liabilities in the normal course of business.

- 17.** The accounts of certain Trade Receivables, Trade Payables, Short/Long Term Loans and Advances, Other Current Assets and Current Liabilities and are subject to confirmation / reconciliation and adjustment, if any. The Management does not expect any material difference affecting the current year's financial statements.

In the opinion of the management, the current assets, loans and advances are expected to realize at least the amount at which they are stated, if realized in the ordinary course of business and provision for all known liabilities have been adequately made in the books of accounts.

- 18.** The Company has prepared these financial statements as per the format prescribed by Schedule III to the Companies Act, 2013 ('the schedule') issued by The Ministry of Corporate Affairs.

- 19.** 'The Current Year refers to the period April 01, 2017 to March 31, 2018. (Previous year refers to April 01, 2016 to March 31, 2017. The previous year figures have been regrouped, rearranged and reclassified wherever necessary to conform to this year's classification.

- 20.** All Figures are in Indian Rupees.

Auditor's Report

"As per our separate report of even date"

For Nangia & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 002391C

Vikas Gupta

FCA, Partner

Membership Number: 076879

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

V. Krishnan

(Managing Director)

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Shri Raj

(Chief Financial Officer)

Pankaj Chawla

(Company Secretary)

Date: May 25, 2018

Place: Noida

Date: May 25, 2018

Place: New Delhi

